



50 YEARS OF FUN!

Post Office Box 9010

Addison, Texas 75001-9010

5300 Belt Line Road

(972) 450-7000

FAX (972) 450-7043

AGENDA

REGULAR MEETING OF THE CITY COUNCIL

SEPTEMBER 28, 2004

7:30 P.M.

COUNCIL CHAMBERS

5300 BELT LINE ROAD

REGULAR SESSION

Item #R1 – Consideration of Old Business

Item #R2 – Consent Agenda

CONSENT AGENDA

#2a – Approval of the Minutes for the September 14, 2004 Council Meeting.

#2b – Consideration of approval of award of bid and a Resolution authorizing the City Manager to enter into a contract in the amount of \$59,225.00 with Davis Excavation for construction of the Westfield Court Water Service Replacement Project.

Item #R3 – Consideration of approval and appointment of four additional members to the Board of Zoning Adjustment to serve as alternates.

Attachment:

1. Council Agenda Item Overview

Administrative Recommendation:

Administration recommends approval.

Item #R4 – **PUBLIC HEARING** and consideration of an Ordinance amending a Special Use Permit for a public building to be used by the federal government, located at 4900 Airport Parkway, on application from the United States Postal Service, represented by Mr. Dennis Delisse of MPI Architects.

Attachments:

1. Docket Map
2. Staff Report
3. Memorandum from Angela Washington
4. Letter from Mr. Kent Hope
5. Letter from Mr. J. J. Horan
6. Plans

The Planning and Zoning Commission Findings:

The Addison Planning and Zoning Commission, meeting in regular session on August 26, 2004, voted to recommend approval to amend a Special Use Permit for a public building to be used by the federal government, subject to the following conditions:

1. All of the planting beds and turf shall be renovated and replanted according to the original landscaping plan, or an alternative planting plan needs to be submitted for review and approval.
2. Final civil drawings shall be approved prior to issuance of a building permit.
3. The existing fence that runs north and south on the east property line shall be replaced with a new wooden (site barring) fence.

Voting Aye: Chafin, Doepfner, Jandura, Knott, Mellow

Voting Nay: None

Absent: None

Administrative Recommendation:

Administration recommends approval.

Item #R5 – Consideration of a Resolution authorizing the City Manager to enter into an agreement in the amount of \$67,750.00 with Daktronics for an LED sign for the Addison Arts and Events District.

Attachments:

1. Council Agenda Item Overview
2. Vendor Evaluation
3. Sign Specifications
4. Tree Removal Plan

Administrative Recommendation:

Administration recommends approval.

Item #R6 – Presentation and consideration of approval of the Addison Arbor Foundation's 20 year strategic plan.

Attachments:

1. Council Agenda Item Overview
2. Strategic Plan

Administrative Recommendation:

Administration recommends approval.

Item #R7 – Presentation and consideration of approval of schematic design concept of the Landmark Boulevard/Quorum Drive park area.

Attachments:

1. Council Agenda Item Overview
2. Aerial Map

Administrative Recommendation:

Administration recommends approval.

Item #R8 – Consideration of approval of award of bid and Resolution authorizing the City Manager to enter into an agreement in the amount of \$46,680.00 with David Baldwin Inc. for landscape architecture design and construction services for Landmark Park.

Attachments:

1. Council Agenda Item Overview
2. Agreement

Administrative Recommendation:

Administration recommends approval.

Item #R9 – Consideration of approval of changes to the Addison Hotel Support Program.

Attachments:

1. Council Agenda Item Overview
2. Program

Administrative Recommendation:

Administration recommends approval.

Item #R10 – Consideration of approval of award of bid and approval of a Resolution authorizing the City Manager to enter into a contract in the amount of \$68,464.15 with Air Vacuum Corporation for the purchase and installation of vehicle exhaust systems for the Addison Fire Station #1 and Addison Fire Station #2.

Attachments:

1. Council Agenda Item Overview
2. Memorandum from Chief Noel Padden
3. Bid Sheet
4. Proposal

Administrative Recommendation:

Administration recommends approval.

Item #R11 – Consideration of a Resolution authorizing the City Manager to enter into a three year extension of an existing contract in the amount of \$24,480.00 with Metrocrest Medical Services for pre-hospital emergency medical control purposes.

Attachments:

1. Council Agenda Item Overview
2. Memorandum from Chief Noel Padden
3. Contract

Administrative Recommendation:

Administration recommends approval.

Item #R12 – Consideration of a Resolution supporting the review commenced by the steering committee of cities served by TXU to determine the just and reasonable rates to be changed by TXU Electric Delivery Company.

Attachments:

1. Council Agenda Item Overview
2. Resolution

Administrative Recommendation:

Administration recommends approval.

Item #R13 – Consideration of a Resolution adopting the Town of Addison Investment Strategy for FY 2004-2005.

Attachments:

1. Council Agenda Item Overview
2. Investment Strategy Statement
3. Resolution

Administrative Recommendation:

Administration recommends approval.

Item #R14 – Consideration of an Ordinance approving the Town's FY 2004-2005 Investment Policy and amending the Town of Addison Code of Ordinances,

Chapter 2 (Administration), Article IV (Finance), Division 3 (Investment Policy) by amending Section 2-207 (Authorized Securities Investments), Section 2-211 (Selection of Broker/Dealers), Section 2-212 (Selection of Depositories), and Section 2-216 (Policy Revisions); Adding Section 2-217 (Policy Revisions).

Attachments:

1. Council Agenda Item Overview
2. Investment Policy
3. Ordinance

Administrative Recommendation:

Administration recommends approval.

Item #R15 – Consideration of an Ordinance of the Town of Addison, Texas approving and adopting the annual budget for the fiscal year beginning October 1, 2004 and ending September 30, 2005; providing that said expenditures for said fiscal year shall be made in accordance with said budget; providing for a repeal clause and declaring an emergency.

Attachments:

1. Council Agenda Item Overview
2. Budget
3. Ordinance

Administrative Recommendation:

Administration recommends approval.

Item #R16 – Consideration of an Ordinance of the Town of Addison, Texas fixing and adopting the tax rate of \$.4760 on all taxable property for the year 2004; and declaring an emergency.

Attachments:

1. Council Agenda Item Overview
2. Ordinance

Administrative Recommendation:

Administration recommends approval.

Item #R17 – Consideration of a Resolution authorizing the City Manager to enter into an agreement in an amount not to exceed \$34,350.00 with the Waters Consulting Group for the purpose of conducting a study of the Town's classification system, compensation plan and employee benefits.

Attachments:

1. Council Agenda Item Overview
2. Study
3. Proposal

Administrative Recommendation:

Administration recommends approval.

EXECUTIVE SESSION

Item #ES1 – Closed (executive) session of the Addison City Council pursuant to Section 551.071, Texas Government Code, to conduct a private consultation with its attorney to seek the advice of its attorney about pending litigation to wit: *LaTaste Enterprises, et al. vs. Addison Airport of Texas, Inc., et al.*; Cause No. DV 98-02259-F, 116th District Court, Dallas County, Texas.

Item #ES2 – Closed (executive) session of the City Council, pursuant to Section 551.071 of the Texas Government Code to consult with its attorney to seek advice regarding certain pending litigation, to wit: *Transcontinental Realty Investors, Inc., et al. v. Addison Airport of Texas, Inc., et al.*; Cause No. 03-03457-H; 160th District Court, Dallas County, Texas.

Adjourn Meeting

Posted 5:00 p.m.
September 23, 2004
Carmen Moran
City Secretary

**THE TOWN OF ADDISON IS ACCESSIBLE TO PERSONS
WITH DISABILITIES. PLEASE CALL (972) 450-2819 AT LEAST
48 HOURS IN ADVANCE IF YOU NEED ASSISTANCE.**

OFFICIAL ACTIONS OF THE ADDISON CITY COUNCIL

September 14, 2004
7:30 p.m. - Council Chambers
5300 Belt Line Road

Present: Mayor Wheeler, Councilmembers Braun, Chow, Hirsch, Niemann, Silver, Turner
Absent: None

Item #R1 – Consideration of Old Business

The following employees were introduced to the Council: Byron Tilton (Police), Jenny Nicewander (Public Works) and Shanna Sims (Finance).

Ron Whitehead, City Manager, presented Council with a calendar highlighting announcements and upcoming events.

Item #R2 – Consent Agenda

Item #2a – Approval of the Minutes for the August 14, 2004 and August 24, 2004 Council Meetings. (Approved)

Item #2b – Consideration of approval of award of bid and Resolution authorizing the City Manager to enter into a contract in the amount of \$68,496.00 with American Landscape Systems for annual landscape and irrigation maintenance in Addison Circle and Addison Circle Park. (Approved) (R04-072)

Item #2c – Consideration of a Resolution authorizing the City Manager to enter into a contract in the amount of \$142,605.00 with Paradigm Traffic Systems, Inc. as sole source for the purchase of vehicle video detection equipment for Belt Line Road signalized intersections. (Approved) (R04-073)

Councilmember Niemann moved to duly approve the above listed items. Councilmember Chow seconded. The motion carried.

Voting Aye: Wheeler, Braun, Chow, Hirsch, Niemann, Silver, Turner
Voting Nay: None
Absent: None

Item #R3 – **PUBLIC HEARING** on the Town's annual budget for the fiscal year beginning October 1, 2004 and ending September 30, 2005.

Mayor Wheeler opened the meeting as a public hearing. The following people spoke on this item:

- Carol Vesey, Executive Director of H.O.P.E., spoke regarding Anne Frank Elementary School.

- Paul Hayes, Addison resident, spoke in support of a second dog park.
- James Easterling, President of Addison Police Association, read a thank you statement to the Council for its support.
- Paul Hayes, Addison Resident, asked for clarification of the proposed road being built.

There were no additional comments or questions. Mayor Wheeler closed the meeting as a public hearing.

No action taken.

Item #R4 – Consideration of an Ordinance amending the Town of Addison annual budget for the fiscal year ending September 30, 2004.

Councilmember Silver moved to duly pass Ordinance No. 004-039 amending the Town of Addison annual budget for the fiscal year ending September 30, 2004. Councilmember Turner seconded. The motion carried.

Voting Aye: Wheeler, Braun, Chow, Hirsch, Niemann, Silver, Turner

Voting Nay: None

Absent: None

Item #R5 – **PUBLIC HEARING** and consideration of an Ordinance approving a Special Use Permit for a Christmas tree lot, including yard decorations, located at 14223 Dallas Parkway, on application from Mr. Jeff Patton of Patton's Corner.

Mayor Wheeler opened the meeting as a public hearing. There were no questions or comments. Mayor Wheeler closed the meeting as a public hearing.

Councilmember Turner moved to duly pass Ordinance No. 004-040 approving a Special Use Permit for a Christmas tree lot, including yard decorations, located at 14223 Dallas Parkway, subject to no conditions. Councilmember Braun seconded. The motion carried.

Voting Aye: Wheeler, Braun, Chow, Hirsch, Niemann, Silver, Turner

Voting Nay: None

Absent: None

Item #R6 – **PUBLIC HEARING** and consideration of an Ordinance approving a Special Use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, located at 4980 Belt Line Road, Suite 150, on application from Chat's Coffee House, represented by Mr. Roger B. LaPointe.

Mayor Wheeler opened the meeting as a public hearing. There were no questions or comments. Mayor Wheeler closed the meeting as a public hearing.

Councilmember Chow moved to duly pass Ordinance No. 004-041 approving a Special Use Permit for a restaurant and a Special Use Permit for the sale of alcoholic beverages for on-premises consumption only, located at 4980 Belt Line Road, Suite 150, subject to the following condition:

1. All missing plant material shown on the most recent landscape plan that the staff has on file will need to be replaced prior to the issuance of a Certificate of Occupancy for the space. In addition, a freeze and rain sensor must be installed on the irrigation system, if it is not already installed.

Councilmember Silver seconded. The motion carried.

Voting Aye: Wheeler, Braun, Chow, Hirsch, Niemann, Silver, Turner

Voting Nay: None

Absent: None

Councilmember Chow was recused from Council Chambers.

Item #R7 – **PUBLIC HEARING** and consideration of a Ordinance approving a Special Use Permit for a restaurant, located at 4980 Belt Line Road, Suite 100, on application from Grand Buffet Chinese Restaurant, represented by Mr. Chaucer Chern.

Mayor Wheeler opened the meeting as a public hearing. There were no questions or comments. Mayor Wheeler closed the meeting as a public hearing.

Councilmember Niemann moved to duly pass Ordinance No. 004-042 approving a Special Use Permit for a restaurant, located at 4980 Belt Line Road, Suite 100, on application from Grand Buffet Chinese Restaurant, subject to the following condition:

1. All missing plant material shown on the most recent landscape plan that the staff has on file will need to be replaced prior to the issuance of a Certificate of Occupancy for the space. In addition, a freeze and rain sensor must be installed on the irrigation system, if it is not already installed.

Councilmember Turner seconded. The motion carried.

Voting Aye: Wheeler, Braun, Hirsch, Niemann, Silver, Turner

Voting Nay: None

Absent: None

Abstaining: Chow

Councilmember Chow returned to Council Chambers.

Item #R8 – **PUBLIC HEARING** and consideration of an Ordinance amending an existing Planned Development District (#595) and approving development plans for an

office/warehouse building, located at 4300 Excel Parkway, on application from Raymond Construction Company, represented by Mr. Charles Raymond.

Mayor Wheeler opened the meeting as a public hearing. There were no questions or comments. Mayor Wheeler closed the meeting as a public hearing.

Councilmember Turner moved to duly pass Ordinance No. 004-043 amending an existing Planned Development District (#595) and approving development plans for an office/warehouse building, located at 4300 Excel Parkway, subject to the following conditions:

1. At the time of building permit application, the applicant shall submit complete civil design drawings.
2. The plan shall be stamped by a licensed landscape architect, and calculations showing the landscaped percentage of the site shall be added to the plan, prior to the issuance of a building permit.
3. The dumpster enclosure shall be made out of the same material as the building, shall have gates on the front, and shall be large enough to hold all refuse containers on the site.

Councilmember Silver seconded. The motion carried.

Voting Aye: Wheeler, Braun, Chow, Hirsch, Niemann, Silver, Turner

Voting Nay: None

Absent: None

Item #R9 – **PUBLIC HEARING** and consideration of an Ordinance amending a Special Use Permit for a public building to be used by the federal government, located at 4900 Airport Parkway, on application from the United States Postal Service, represented by Mr. Dennis Delisse of MPI Architects.

Mayor Wheeler opened the meeting as a public hearing. The following people spoke on this item:

- Kent Hope
- Paul Hayes, Addison resident, spoke regarding building entrances.
- J. J. Horan spoke regarding relinquishment of five feet of property.

Councilmember Niemann moved to table this item until the next Council meeting and continue the public hearing until September 28, 2004. Councilmember Braun seconded. The motion carried.

Voting Aye: Wheeler, Braun, Chow, Hirsch, Niemann, Silver, Turner

Voting Nay: None

Absent: None

Item #R10 – Consideration of a Resolution of the Town of Addison, Texas, authorizing the Cities Aggregation Power Project, Inc. (CAPP) to negotiate an electric supply agreement for deliveries of electricity effective January 1, 2005; authorizing the City Manager or other designated city official to sign a contract with CAPP for the Town of Addison's 2005 electricity needs; and committing to budget for energy purchases in 2005 and to honor the Town of Addison's commitments to purchase power for its electrical needs in 2005 though CAPP.

Councilmember Niemann moved to duly pass Resolution No. R04-074, authorizing the Cities Aggregation Power Project, Inc. (CAPP) to negotiate an electric supply agreement for deliveries of electricity effective January 1, 2005; authorizing the City Manager or other designated city official to sign a contract with CAPP for the Town of Addison's 2005 electricity needs; and committing to budget for energy purchases in 2005 and to honor the Town of Addison's commitments to purchase power for its electrical needs in 2005 though CAPP. Councilmember Turner seconded. The motion carried.

Voting Aye: Wheeler, Braun, Chow, Hirsch, Niemann, Silver, Turner
Voting Nay: None
Absent: None

Item #R11 – Consideration of approval of award of bid and a Resolution authorizing the City Manager to enter into a contract in the amount of \$35,680.00 with DCC, Inc. for annual maintenance of display fountains and waterfall pumping systems.

Councilmember Turner moved to dully approve the award of bid and Resolution No. R04-075 authorizing the City Manager to enter into a contract in the amount of \$35,680.00 with DCC, Inc. for annual maintenance of display fountains and waterfall pumping systems. Councilmember Silver seconded. The motion carried.

Voting Aye: Wheeler, Braun, Chow, Hirsch, Niemann, Silver, Turner
Voting Nay: None
Absent: None

Item #R12 – Consideration of a Resolution authorizing the City Manager to enter into a contract in the amount of \$12,210.00 with Phoenix Fabricators and Erectors, Inc. for repainting of two existing Addison logos on and the application of two additional Addison logos to the elevated water storage reservoir.

Mayor Wheeler opened the meeting as a courtesy public hearing. Mr. Paul Hayes, Addison resident, spoke on this item. There were no other questions or comments. Mayor Wheeler closed the meeting as a courtesy public hearing.

Councilmember Silver moved to duly pass Resolution No. R04-076 authorizing the City Manager to enter into a contract in the amount of \$12,210.00 with Phoenix Fabricators and Erectors, Inc. for repainting of two existing Addison logos on and the application of two additional Addison logos to the elevated water storage reservoir. Councilmember Chow seconded. The motion carried.

Voting Aye: Braun, Chow, Hirsch, Niemann, Silver, Turner
Voting Nay: Wheeler
Absent: None

There being no further business before the Council, the meeting was adjourned.

Mayor

Attest:

City Secretary

Council Agenda Item: #2b

SUMMARY:

This item is for the award of contract to Davis Excavation, in the amount of \$59,225.00, for construction of the Westfield Court Water Service Replacement Project.

FINANCIAL IMPACT:

Budgeted Amount: \$72,000.00

Construction Cost: \$59,225.00

Source of Funds: Funds are available from FY 2004-05 Water and Sewer Fund, as indicated in the Five Year Capital Replacement Program.

BACKGROUND:

The Public Works Department established the need for the replacement of existing water service lines in the Westfield Court Addition. These proposed improvements will be performed specifically on Heritage Lane, Old Town Road, and Vintage Lane. This project is the result of numerous water service line breaks in the area that has continuously disrupted service to affected residences. The firm of GSWW, Inc. prepared engineering plans and specifications for construction of these improvements.

Attached is a bid tabulation for this project. The bid proposal in the specifications for construction was structured to provide an incentive/disincentive method of bidding the improvements. Specifically, each bid submitted was required to consist of two parts whereby:

- a. The Contractor submits a standard bid (A), which is the summation of the products of the estimated quantities shown in the proposal, multiplied by their bid unit prices.
- b. In addition, the Contractor submits a time bid (B), which is the product of the number of calendar days required to construct the project, determined by the Contractor, and the Daily Value established by the Town. The Daily Value was established in the contract at \$250.00. The number of calendar days is intended to include inclement weather, holidays, etc.

The lowest bid (Total) for award of the contract was determined as the lowest sum of the standard bid (A) plus time bid (B). The contract establishes the actual contract amount for payment to the successful contractor to be the value indicated in the standard bid (A). Also included in the bidding process was a provision whereby the Contractor is awarded an incentive payment if construction is completed prior to the number of calendar days he submitted. The total amount of the incentive is the product of the Daily Value (\$250) and number of days the Contractor completes the project prior to the established contract time. Accordingly, the contract provides for a disincentive amount to be established based on the product of the Daily Value (\$250) and amount of time that the Contractor exceeds the established contract time. The total incentive payment cannot exceed \$5,000. However, there is no limit to the amount of disincentive reduction from the Contractor's final payment that the Town will impose for going over the contract time limit.

Davis Excavation, Inc. submitted the lowest Total bid (A + B), in the amount of \$72,725.00 and 54 calendar days. The actual amount of the standard bid (A) recommended for award is \$59,225.00. This amount is substantially lower than the engineering estimate of \$70,000. In addition, the Engineer estimated that it would take approximately 60 calendar days to complete a project of this complexity. The number of calendar days submitted by Davis Excavation, Inc. (54 calendar days) represents a potential reduction of total construction time by approximately 1 week. The contractor was subject to an extensive reference check by the Engineer and staff, and was found to have successfully completed construction of several related improvements in other municipalities in the area.

RECOMMENDATION:

Staff recommends that Council authorize the City Manager to enter into a contract with Davis Excavation, Inc., for the Westfield Court Water Service Replacement Project, in the amount of \$59,225.00.

Westfield Court Water Service Replacement

BID NO 04-34

Bid Opening: September 14, 2004

2:30 PM

BIDDER	SIGNED	Bid Bond	(A) Total Bid	calendar days	(B) Total Calendar days x \$250.00	Total Bid A + B
Davis Excavation	Y	Y	\$59,225.00	54	\$13,500.00	\$72,725.00
RKM Utility Svc	Y	Y	\$77,855.00	50	\$12,500.00	\$90,355.00
Jim Bowman Construction Co., L.P.	Y	Y	\$110,446.00	45	\$11,250.00	\$121,696.00

Minok Suh

Minok Suh, Purchasing Coordinator

Corey Gayden

Corey Gayden, Witness

Council Agenda Item: #R3

SUMMARY:

Staff requests the Council appoint four additional members to serve as alternates to the Board of Zoning Adjustment.

FINANCIAL IMPACT:

No financial impact.

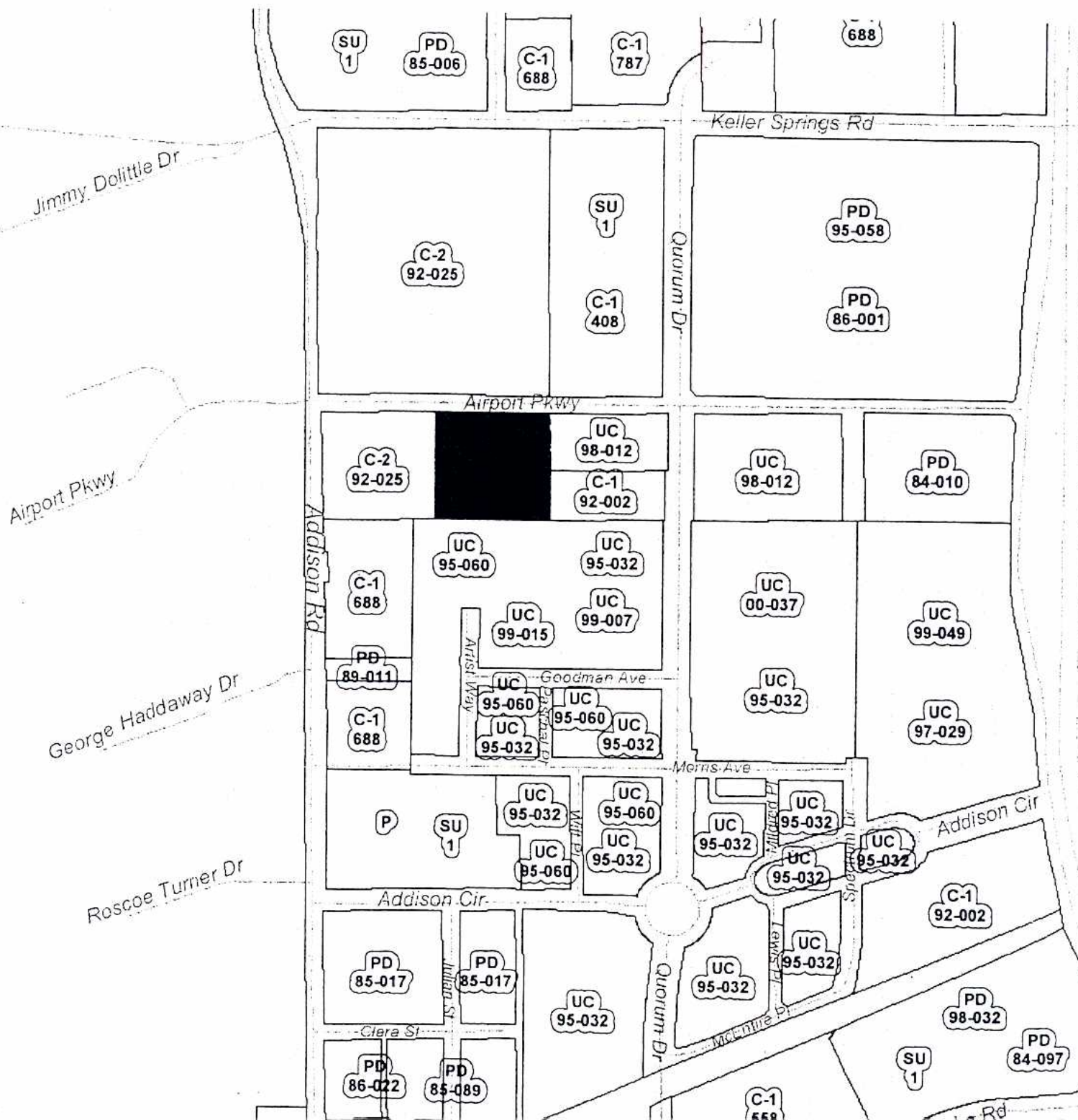
BACKGROUND:

The staff typically has less than one BZA case a year. However, this year we have already had four cases. The BZA has six members, and it takes four members to constitute a quorum. It is typically difficult to get the BZA together because it does not have regularly scheduled meetings that the members can plan for. For the last two meetings, the staff has had a difficult time getting a quorum of the members to attend. Staff would like to add four alternate members to the BZA so that the staff can have a larger pool of members to draw from. There are currently six members appointed to the Board of Zoning Adjustment. The members are: Corie Ewing, David Griggs, Richard Lane, Charles Martin, Maggie McQuown, and Beverly Roberts.

RECOMMENDATION:

Staff recommends the Council appoint four additional members to serve as alternates to the Board of Zoning Adjustment.

Case 1472-SIUP/United States Postal Service. Requesting approval of an amendment to an existing Special Use Permit for a public building to be used by the federal government, located at 4900 Airport Parkway, on application from the United States Postal Service, represented by Mr. Dennis Delisse of MPI Architects.



(972) 450-7000

Addison 50!

August 19, 2004

RE:	Case 1472-SUP/U.S. Postal Service, Addison Addition
LOCATION:	4900 Airport Parkway
REQUEST:	Amendment to an existing Special Use Permit public building to be used by the Federal government
APPLICANT:	U.S. Postal Service, represented by Mr. Dennis Delisse of MPI Architects

Background. Under the provisions of Article XII, SPECIAL USES, of the Addison zoning ordinance, a special use permit is required for:

- (1) Any public building to be erected or used by the City, County, State, or Federal Government in any district.

The Council approved the Special Use Permit for the Post Office on July 23, 1996 through Ordinance 096-027. When the original post office was approved, it was not expected that Addison would run mail delivery out of it. However, as soon as the post office was completed, the post office changed to one that would have mail carriers. At that point, the Postmaster requested to add temporary trailers out behind the post office to accommodate a workroom for the mail carriers. The temporary trailers have been in place on the site since 1996. At this time, the Postal Service would like to expand the building to add on a permanent workroom for mail carriers, locker rooms for carriers, and some storage space. The expansion would take place within the existing fenced yard that is already in place at the post office. The addition to the post office will not add any more space for customers or any more post office boxes.

Proposed Plan. The new post office addition will add 7,249 square feet, which will bring the total square footage of the Post Office to 20,137 square feet. The addition is brick

with concrete trim and will be finished to match the building. The bulk of the improvements will take place behind the fence that separates the public areas of the Post Office property from the "Employee Only" areas of the property. The improvements will add 25 additional parking spaces to the site. The parts of the Post Office property that are visible and accessible by the public will not change.

Landscaping. The staff has reviewed the landscape plan and notes that it needs to show calculations on the percentage of landscaping to be removed versus what will remain. In addition, the existing landscaping has not been routinely maintained. All of the planting beds and turf need to be renovated and replanted according to the original landscaping plan, or an alternative planting plan needs to be submitted for review and approval.

Engineering. The applicant has submitted engineering plans, which are currently being reviewed. The final civil drawings must be approved prior to issuance of a building permit.

RECOMMENDATION:

Staff recommends approval of the amendment to the existing Special Use Permit for the Addison Post Office, subject to the following conditions:

- All of the planting beds and turf shall be renovated and replanted according to the original landscaping plan, or an alternative planting plan needs to be submitted for review and approval.
- Final civil drawings shall be approved prior to issuance of a building permit.

Respectfully submitted,

A handwritten signature in black ink that reads "C. MORAN". The signature is stylized, with a large, looped "C" and the name "MORAN" in a more straightforward, blocky font.

Carmen Moran
Director of Development Services

COMMISSION FINDINGS:

The Addison Planning and Zoning Commission, meeting in regular session on August 26, 2004, voted to recommend approval of the above-cited request subject to the following conditions:

- All of the planting beds and turf shall be renovated and replanted according to the original landscaping plan, or an alternative planting plan needs to be submitted for review and approval.
- Final civil drawings shall be approved prior to issuance of a building permit.
- the existing fence that runs north and south on the east property line shall be replaced with a new wooden (site barring) fence.

Voting Aye: Chafin, Doepfner, Jandura, Knott, Mellow,

Voting Nay: None,

Absent: Benjet, Bernstein

Memorandum

Date: August 19, 2004
To: Carmen Moran, Director of Development Services
From: Slade Strickland, Director of Parks and Recreation
Subject: **Case 1472-SUP/United States Postal Service**

The landscape plan needs to show calculations on the percentage of landscaping to be removed versus what will remain. It appears that the expanded parking and road base additions will put the site below the 20 percent landscape requirement.

All of the existing landscaping has not been routinely maintained. All of the planting beds and turf need to be renovated and replanted according to the original landscaping plan, or an alternative planting plan need be submitted for review and approval if the applicant plans to change from the original plan.

Memorandum

Date: August 19, 2004
To: Carmen Moran, Director of Development Services
From: Slade Strickland, Director of Parks and Recreation
Subject: **Case 1472-SUP/United States Postal Service**

The landscape plan needs to show calculations on the percentage of landscaping to be removed versus what will remain. It appears that the expanded parking and road base additions will put the site below the 20 percent landscape requirement.

All of the existing landscaping has not been routinely maintained. All of the planting beds and turf need to be renovated and replanted according to the original landscaping plan.

Carmen Moran

From: Steve Chutchian
Sent: Monday, August 16, 2004 2:49 PM
To: Carmen Moran
Subject: Planning & Zoning Commission Agenda

The following comments are submitted for items listed on the August 26, 2004 Planning & Zoning Commission Agenda:

Case 1468-SUP/Patton's Corner

No Comments

Case 1469-SUP/Chat's Coffee House

No Comments

Case 1470-SUP/Grand Buffet Chinese Restaurant

No Comments

Case 1471-Z/Raymond Construction

Engineering plans and specifications must be developed for the site and approved by the Town of Addison, including the following:

- Grading & drainage plan
A drainage channel existing across the southern portion of the site. Stormwater from the property adjacent and to the east, as well as on-site drainage, must be accommodated in this channel or by construction of underground conduit.
- Existing and proposed utilities, including water, sewer, fiber optic, and franchise utilities.
- All drainage and utilities easements required on-site.
- Paving details
Proposed driveway and median improvements must be located, dimensioned, and detailed on the civil drawings.
- Erosion control plan
- Traffic control plan
- Landscaping and irrigation plan (to be approved by Parks Dept.)

Case 1472-SUP/United States Postal Service

Engineering plans were previously submitted for review and comments on this site. At this time, revised civil drawings have not been re-submitted or approved by the Town of Addison. Final civil drawings must be approved prior to issuance of a permit for construction.

Steve Chutchian, P.E.
Assistant City Engineer

COWLES & THOMPSON**M E M O R A N D U M**

TO: Carmen Moran
Director of Development Services

FROM: Angela K. Washington

RE: Agenda Item #R7 – 4900 Airport Parkway

DATE: September 9, 2004

You have received two complaint letters concerning the zoning application filed by the United States Postal Service proposing to amend the specific use permit governing property located at 4900 Airport Parkway. The letters complain that the Town is not requesting a dedication of five feet of right-of-way from the property owner to increase the width of Airport Parkway from 55 feet to 60 feet in accordance with the Town's current Thoroughfare Plan.

Right-of-way dedications are addressed when property is platted, not in the context of a zoning case. Should the property owner file an application to replat the property, requesting a dedication based on the Town's current Thoroughfare Plan would be appropriate at that time. The issue before the council in connection with the zoning case is whether the requested changes to the zoning are appropriate at the subject location from a land use perspective.

If you have any questions, please give me a call.

c: Kenneth C. Dippel
John M. Hill

HWK, Inc.

Asset Management Services

US Mail: Post Office Box 427, Addison, TX 75001

Delivery: 15842 Addison Road, Addison, TX 75001

Telephone: 972/239-1324

Fax: 972/239-0026

E-mail: box222@family.net

September 1, 2004

Carmen Moran
Director of Development Services
Town of Addison
P. O. Box 9010
Addison, TX 75001-9010

972-450-7018 dd

972-450-7043 fx

Re: Case No. 1472-SUP/U.S. Postal Service, Addison Addition at 4900 Airport Parkway

Dear Ms. Moran:

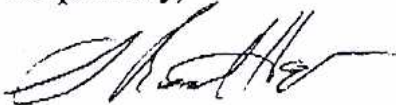
Reference my visit to your office before the August 26, 2004, Planning and Zoning Commission hearing concerning my protest regarding the referenced case. I represent the property on the west side of the post office. The Town of Addison is not asking the post office for the five (5) feet of right-of-way necessary to take Airport Parkway from 55 feet wide to 60 feet as per the thoroughfare plan.

If the Town does not ask the post office for the right-of-way, then the thoroughfare plan should be amended and the Town should not ask for it when the remaining undeveloped properties on the south side of Airport Parkway come in for development.

It does not make sense to ask for the right-of-way from the rest of us on the south side of Airport Parkway and not be uniform.

If the potential to widen Airport Parkway, as it probably will need to be, is to be preserved, then this right-of-way will be needed.

Respectfully,



S. Kent Hope



South & Western "The Specialty Company"

J.J. HORAN

President

jj-horan@southandwestern.com

September 3, 2004

SENT VIA FAX

Ms. Carmen Moran
Director of Development Services
Town of Addison
P.O. Box 9010
Addison, Texas 75001-9015

Fax #: 972-450-7043, 1 page

Re: Case No. 1472-SUP / U.S. Postal Service, Addison Addition at 4900 Airport Parkway

Dear Ms. Moran:

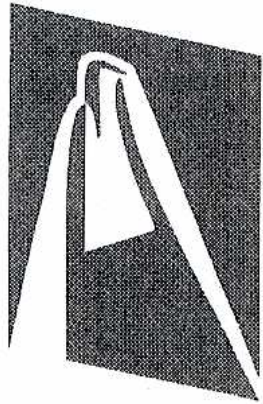
I represent two properties which are owned by SWGA Ventures, LTD located on the east side and adjacent to the U.S. Post Office. Please accept this letter as my formal protest to the above referenced case. After meeting with you during my visit to your office on August 25th, I have become aware that the Town of Addison is not asking the post office for the five (5) feet of right-of-way necessary to take Airport Parkway from 55 feet wide to 60 feet as per the thoroughfare plan.

If the Town does not ask the post office for the right-of-way, then the thoroughfare plan should be amended and the Town should not request such right-of-way from other landowners when the remaining undeveloped properties on the south side of Airport Parkway prepare for development.

The town's consideration to applying a consistent approach to all property on the south side of Airport Parkway is appreciated.

Sincerely,

J.J. Horan



UNITED STATES POSTAL SERVICE

MAIN POST OFFICE
4900 AIRPORT PARKWAY
ADDISON, TEXAS 75001

BUILDING EXPANSION



**STRUCTURAL
STUDIO, INC.**
1114 W. 14TH STREET, SUITE 200
DALLAS, TEXAS 75202
(214) 742-1114
FAX (214) 742-1115
WWW.STRUCTURALSTUDIO.COM

STRUCTURAL
ENGINEERS



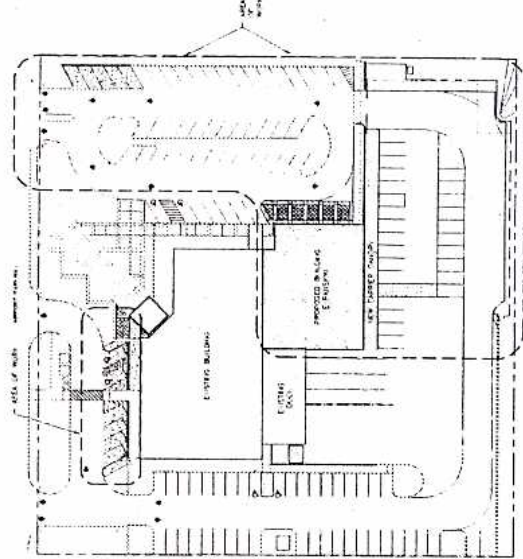
**MECHANICAL/
ELECTRICAL
ENGINEERS**
1114 W. 14TH STREET, SUITE 200
DALLAS, TEXAS 75202
(214) 742-1114
FAX (214) 742-1115
WWW.MEENGINEERS.COM

MECHANICAL/
ELECTRICAL
ENGINEERS



MPI
Architecture & Planning & Interior Design
3100 Red Oak, Suite 100, Dallas, Texas 75244
(214) 742-1114
FAX (214) 742-1115
WWW.MPI-ARCH.COM

ARCHITECTS



2 KEY PLAN
SCALE: 1/4" = 1'-0"



1 VICINITY MAP
SCALE: 1/4" = 1'-0"

Index of Drawings:

GENERAL	01.1 COVER SHEET/INDEX OF DRAWINGS
LANDSCAPE	01.1 LANDSCAPE PLAN
ARCHITECTURAL	01.1 PROPOSED ARCHITECTURAL SITE PLAN
	01.2 PROPOSED FLOOR PLAN
	01.3 EXTERIOR ELEVATIONS

SET No.
ARCHITECT'S PROJECT No. 40045

5/17/04

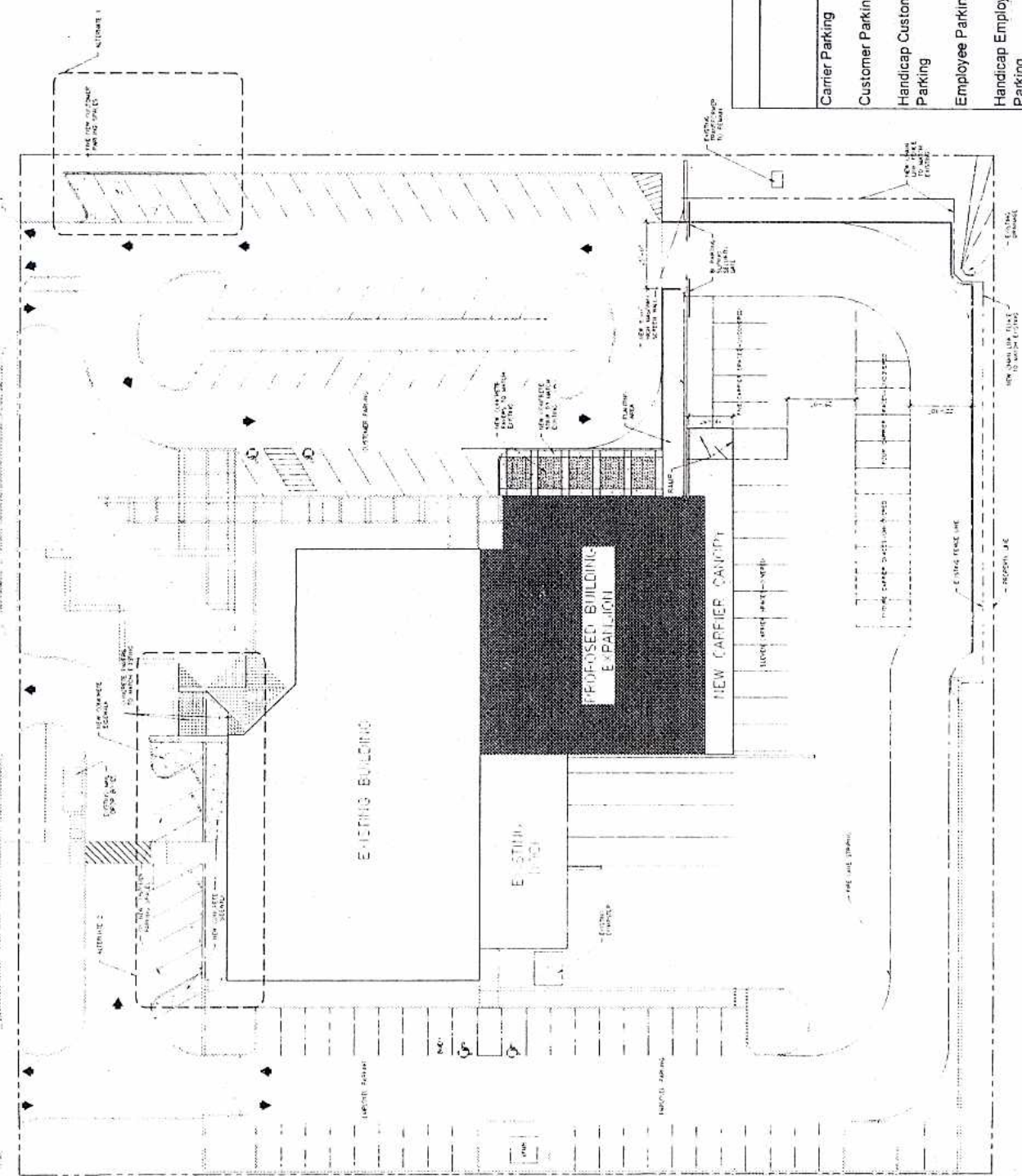
P & Z SUBMITTAL SET

1 LANDSLIDE 1974-1975



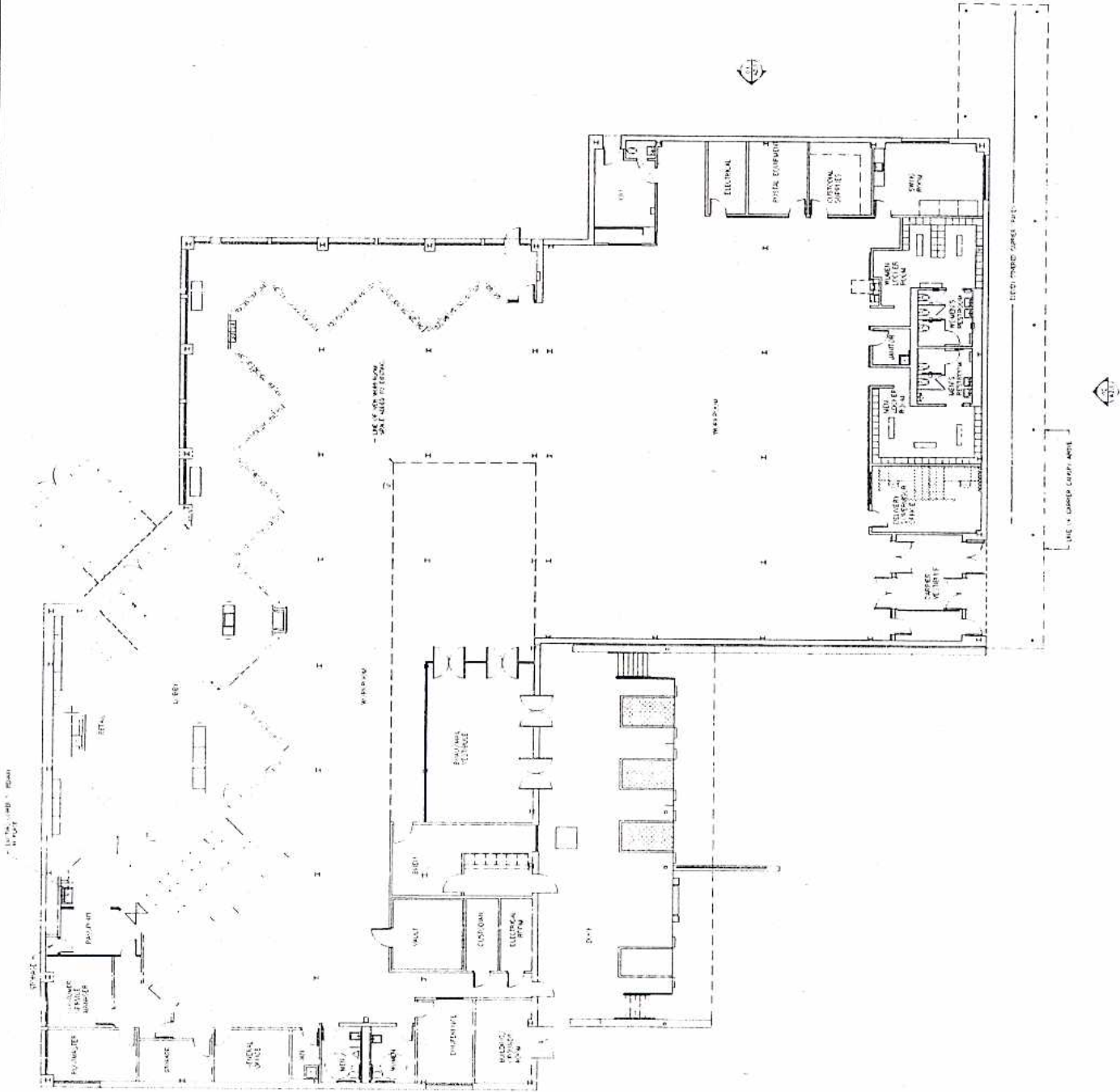
Journal of Management Education 30(6)p.789-804

2000 Census Bureau. Figure 11 shows that the average during construction is 1.5 times the average during nonconstruction.



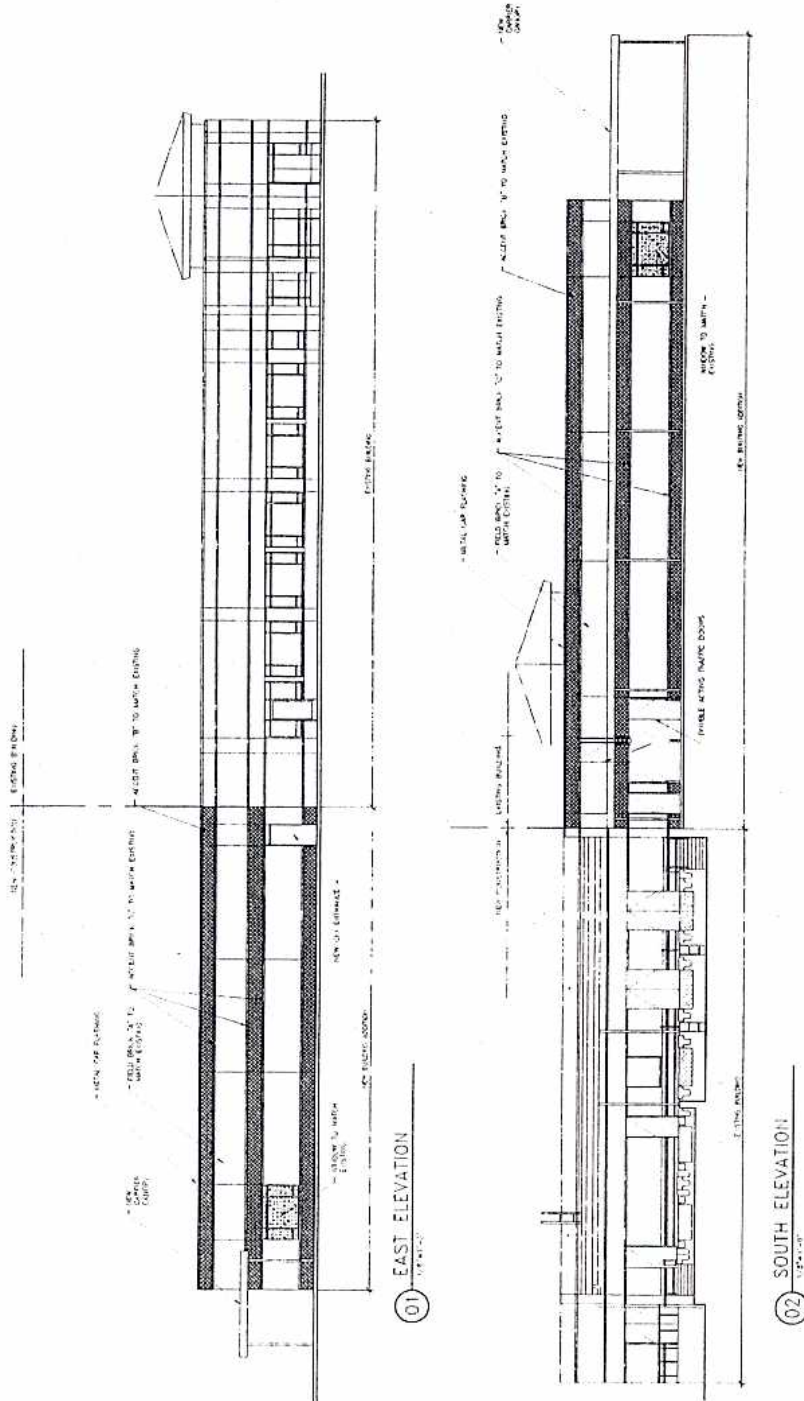
SITE TABULATIONS					
	EXISTING	PROPOSED	ALT. 1	ALT. 2	TOTAL WITH ALT.S
Carrier Parking	18	20			56
Customer Parking	51	45	5	6	
Handicap Customer Parking	2	2			
Employee Parking	47	40			
Handicap Employee Parking	2	2			
Future Carrier Parking		6			

10% DESIGN REVIEW DOCUMENTS



ADDISON MPO - BUILDING EXPANSION
AREA TABULATIONS

	Program Space	Existing Spaces	New Spaces Proposed
RETAIL LOBBY	5300 sf	4753 sf	4258 sf
ADMINISTRATION AREA			
Postmaster	160 sf		164 sf
General Conference Room	210 sf	216 sf	167 sf
Customer Service Manager	120 sf		170 sf
General Office	80 sf		141 sf
Delivery Supervisor	210 sf		254 sf
Unisex Toilet	50 sf		40 sf
Janitor Closet	35 sf		40 sf
Janitor Closet	40 sf		83 sf
RESTROOM	65 sf		
STORAGE	70 sf		113 sf
Corridor		153 sf	
MAINTENANCE & BUILDING SERVICE			
Janitor Closet	50 sf		48 sf
Custodian	83 sf		83 sf
Building & Grounds Room	192 sf		159 sf
EMPLOYEE FACILITIES			
Men's Restroom	50 sf		50 sf
Women's Restroom	50 sf		51 sf
Swing Room	220 sf		276 sf
Locker Room Male	165 sf		167 sf
Locker Room Female	200 sf		239 sf
Restroom Male	130 sf		108 sf
Restroom Female	130 sf		108 sf
Janitor	50 sf		50 sf
STORAGE			
Stamped Envelope Storage	108 sf		103 sf
General Storage	100 sf		91 sf
Vault	176 sf		176 sf
MISCELLANEOUS SUPPORT			
Carrier Vestibule	100 sf		246 sf
Workroom Staging Del Cart	100 sf		98 sf
Electrical Room	216 sf		132 sf
Postnet Office	250 sf		210 sf
CO Entry			151 sf
Postal Equipment			357 sf
BUSINESS MAILING ENTRY UNIT			
Business Mail Service	280 sf		
WORKROOM			
Small Storage			
Workroom			
TOTALS	9140 sf	4753 sf	10864 sf
TOTALS	18,704 sf	12,888 sf	30,337 sf



Council Agenda Item: #R5**SUMMARY:**

Staff requests Council authorize the City Manager to enter into an agreement with Daktronics in the amount of \$67,750.00 for the manufacture and installation of an LED sign for the Addison Arts and Events District, to be located at the northeast corner of Addison Road and Addison Circle Drive East.

FINANCIAL IMPACT:

Budgeted Amount: Item was not budgeted, but funds are available in the Capital Projects Fund for the Addison Arts and Events District

Unallocated bond funds available	\$331,955.12
Approximate cost of sign	<u>81,750.00</u>
Unallocated bond funds remaining	\$250,205.12

Cost:	Sign:	\$59,950.00
	Training for staff	1,500.00
	Fiber-optic cable to Conference Centre	1,260.00
	3 year extended (Platinum) warranty	<u>5,040.00</u>
	TOTAL FOR SIGN	\$67,750.00

Work to be done by Town:	
Electrical service to sign	\$ 7,000.00
Tree removal and site restoration	<u>7,000.00</u>
TOTAL FOR SITE WORK	\$14,000.00

TOTAL FOR PROJECT:	\$81,750.00
---------------------------	--------------------

BACKGROUND:

In February of this year the Council authorized the staff to go out for bids on a directional sign package for the Arts and Events District. A LED (light emitting diode) sign for the corner of Addison Road and Addison Circle Drive was a component of the directional sign package. The staff decided to break the LED sign out of the total directional package and bid it separately in order to expedite getting it built and installed. The staff went out for Requests for Proposals in order to allow vendors to propose any brand of sign, as long as it met the technical specifications the staff listed. Four vendors bid the sign. Daktronics, the LED manufacturer, submitted the lowest proposal. Two other vendors, Architectural Graphics, Inc. and AutoGrafx, Inc., submitted proposals utilizing a Daktronics-manufactured LED component. Don Bell Signs, LLC submitted alternate specifications for a different-sized sign.

The Town will handle the running of electrical and computer cable conduit to the sign. Lynn Chandler, in Building Inspection, will manage the electrical work to get the electrical power and computer cable to the sign. The Town will also handle the removal of the Sycamore trees on the corner so that the sign will be visible from both northbound and southbound traffic. The Parks

Department will manage the tree removal and landscaping restoration. Hamid Khalegipour and his staff will attend the training on how to program the sign, as well as Rob Bourstrom and Barbara Kovacevich.

RECOMMENDATION:

Staff recommends the Council approve the resolution authorizing the City Manager to enter into an agreement in the amount of \$67,750.00 with Daktronics for an LED sign for the Addison Arts and Events District.

RFP 04-31 - LED Sign

Vendor Evaluation for LED Sign at Conference and Theatre Centre

Criteria	Vendors			
	Daktronics	Arch.Graphics, Inc.	ArtoGrafx, Inc.	Don Bell Signs, LLC
Quality, clarity and responsiveness of proposal in conformance with instructions, conditions and format contained in RFP (5 pts)	5	3	3	2
Cost and quality of implementation services (40 pts)	40	30	20	10
Functional/Technical requirements (20 pts)	20	20	20	0*
Installation, implementation and training plan (10 pts)	10	5	5	0
Demonstrated performance of proposed system elsewhere in the public sector - system maintenance, updating and ongoing technical support (10 pts)	10	5	5	0
Vendor financial stability (10 pts)	10	10	10	10
On-site demonstrations and visits to vendor sites (5 pts)	0	0	0	0
Point totals	95	73	63	22
Proposed costs	\$66,490.00	\$90,942.00	\$93,355.00	\$117,611.95

* Don Bell submitted specifications for a different sized sign than specified in the drawings

Addison Circle District

Totem w/Message Boards SD - 80x80 20mm LED Matrix RGB

Size

As shown

Quantity

1 double faced

Material

Top Cab/ 125" Aluminum
 20 oz. flexface material
 with heat transfered color in
 frameless extrusions.
 Displays/80x80 20mm LED
 Matrix RGB
 Display Cab/ 125" alum.
 Base/16"OD steel pipe.

Color

Top Cab/3M 3630-97
 Bright Blue film and
 matching Matthews paint
 Displays/Matte black
 Display Cab/Match display
 black
 Base/Matthews MP11430
 Blue

Finish

Top Cab/Satin
 Displays/Satin or matte
 Display Cab/Black satin
 Base/To be determined

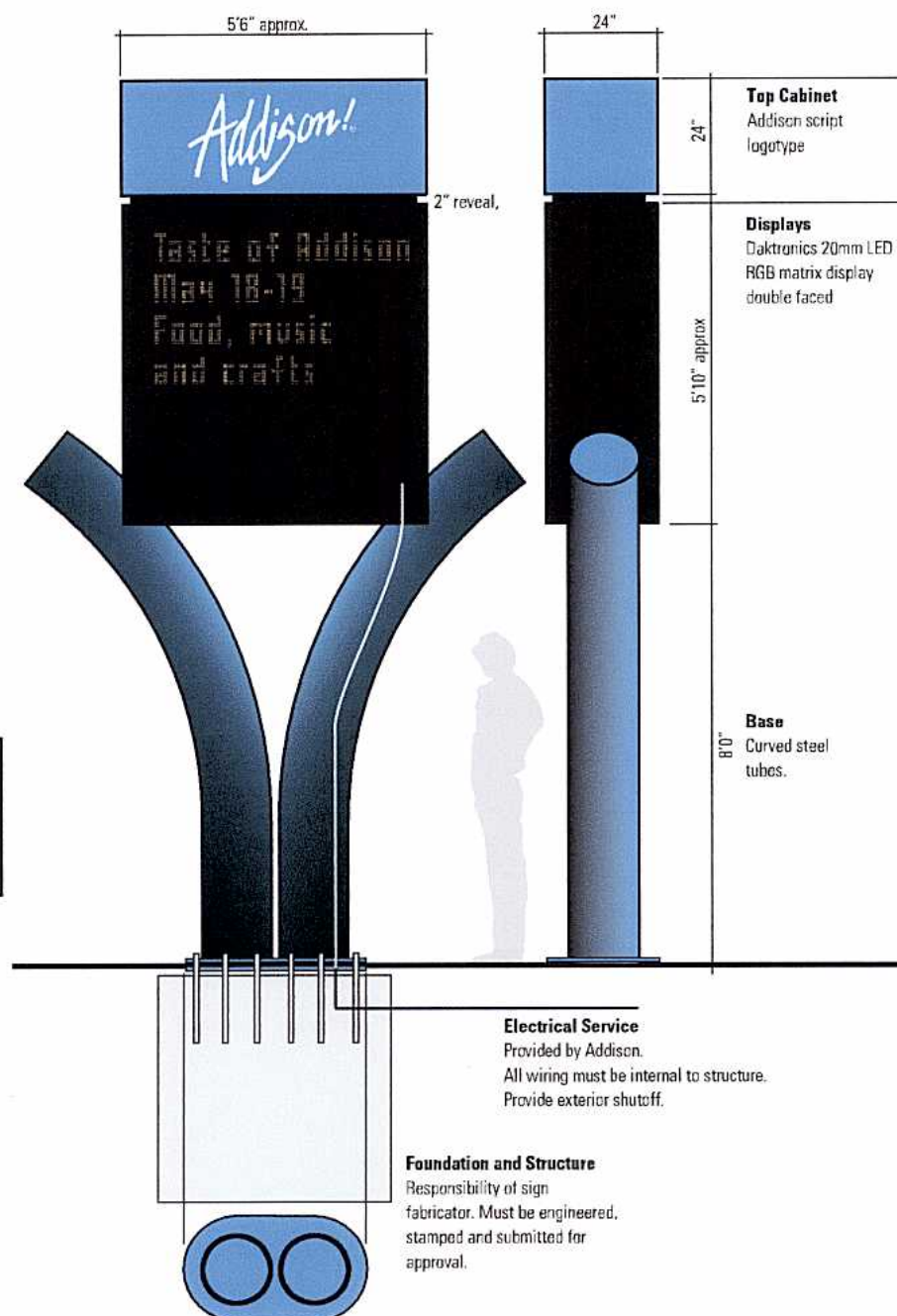
Illumination

Top Cab/Florescents with
 side access panels.
 Automatic photo cell
 switch turns top cab inet
 on at dusk. Provide duplex
 120v weather proof
 convenience outlet

Installation

Fabricator is responsible
 for structural engineering
 and must submit stamped
 construction drawings for
 approval. Structure suitable
 to resist 100 mph winds.

Field verify exact locations
 and conditions. Client will
 clear area for water and
 sewer utilities. For other
 utilities fabricator is
 responsible to call Texas
 One Call System,
 1 800 245-4545.

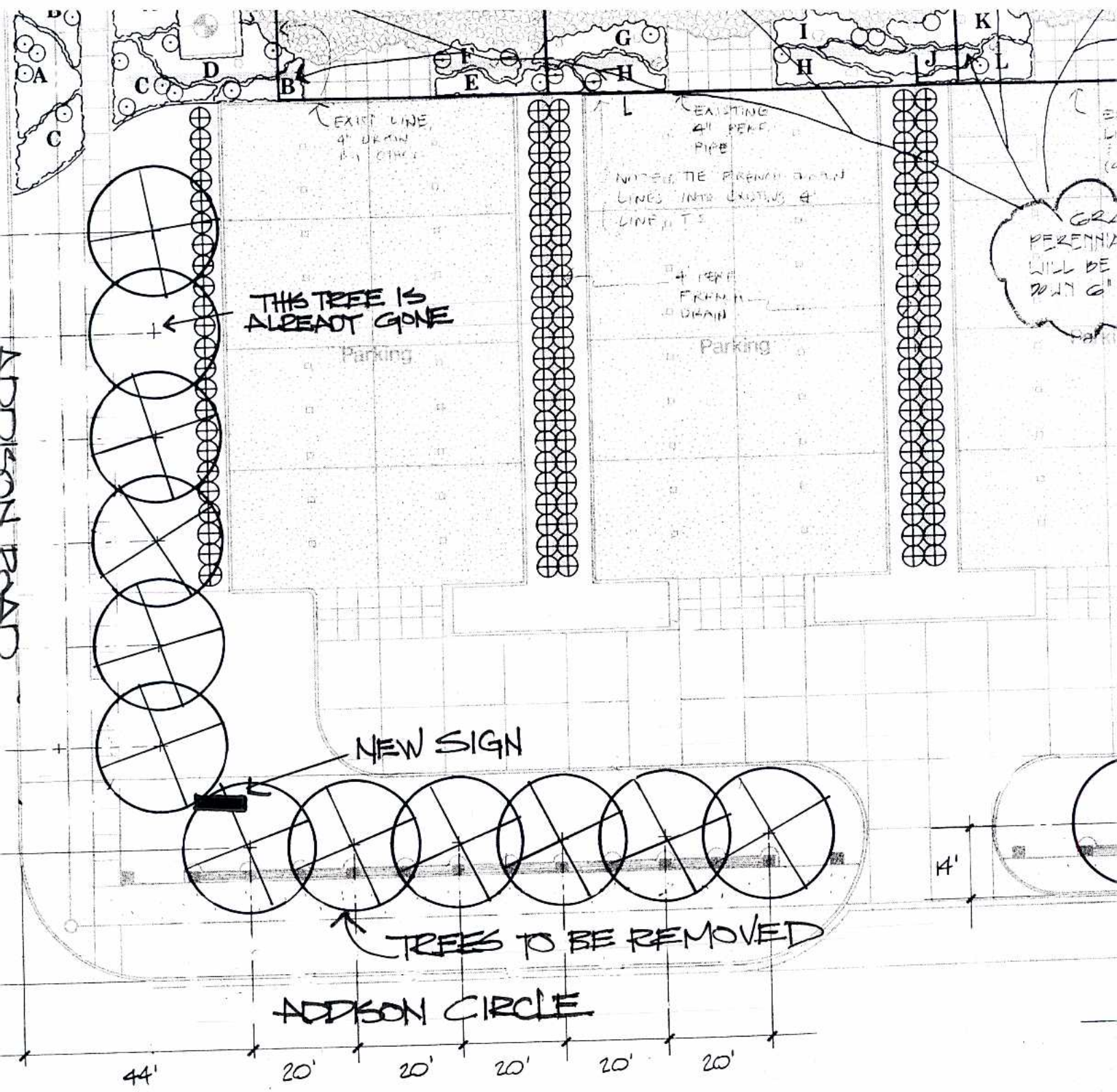


Addison!®

Logotype

Digital file available
 from designer for
 existing

Sycamore Trees to be removed at Addison Road and Addison Circle Drive



Council Agenda Item: #R6

SUMMARY:

The Addison Arbor Foundation Citizens Advisory Committee will present the Foundation's 20-year strategic plan for the Council's review and approval.

FINANCIAL IMPACT:

Budgeted Amount: \$50,000.00 Arbor Special Revenue Fund

Cost: To Be Determined

The total available resources in the Arbor Special Revenue Fund for FY 2004-05 totals \$86,330. Staff budgeted \$50,000 for FY 2004-05 for preparation of a landscape/streetscape master plan by a landscape architecture design firm.

BACKGROUND:

The Parks and Recreation Director and the seven member Addison Arbor Foundation (AAF) Citizens Advisory Committee (CAC) meet on an as needed basis – sometimes monthly – to determine potential public beautification projects, plan fundraising opportunities, and plan for the annual AAF Arbor Day celebration held in April. Two beautification projects were funded from the Arbor Fund, which include the Surveyor Road/Belt Line Road median landscaping and the south Inwood Road median landscaping.

The primary source of revenue for the AAF is through reimbursements from the town's waste management contractor for single family and municipal building recycling. The other source comes from donations made by Addison residents and businesses. Total annual recycling proceeds and contributions range from approximately \$7,500 to \$15,000. Recycling proceeds make up about 75% of the Arbor Fund revenues.

The AAF's goal is to increase the number of trees in the town to create a tree canopy that will become the Town's trademark in the DFW Metroplex. Staff will present a new plan to redirect the Foundation's efforts, which will focus on a public initiative involving a larger scale tree-planting program emphasizing the long-term value and visual impact trees bring to the community.

The CAC sought assistance from the Dallas Center for Nonprofit Management for guidance on developing the framework for a strategic plan for the purpose of broadening community awareness and involvement to strengthen future fundraising activities. In addition, the Committee invited three new members to participate in the strategic planning process who represent the business community. The new members were chosen to represent the office building, hotel and restaurant communities. A list of the CAC members is attached.

RECOMMENDATION:

The CAC recently completed a twenty-year strategic planning process, which will be presented for the Council's review and approval.

Addison Arbor Foundation Twenty Year Strategic Plan

Committee Review

August 12, 2004

Mission Statement

Addison Arbor Foundation

*To provide and coordinate technical
and educational resources
to the Town of Addison residents and businesses
for the purpose of establishing and maintaining
healthy, sustainable urban forests.*

Purpose

To promote funding from private, tax deductible donations and town recycling revenues for the beautification of public parks, greenbelts and streets.

Benefits

The AAF recognizes the economic, aesthetic and environmental importance of trees. Trees help to preserve and protect the Town of Addison's aesthetic and scenic beauty, counteract the pollutants in the air, protect and act as a natural buffer against high winds, prevent the erosion of topsoil, provide shade and maintain climatic balance, provide a habitat for birds and provides a sense of unity and continuity to the streetscape, while increasing commercial and residential property values.

Goals

- To increase the number of trees in the town to create a tree canopy that will become the Town's trademark in the DFW Metroplex.
- **Objectives:** Plant 50 trees each year for the next 20 years along streets and parks designated on the master plan which will include principal arterial, commercial collector and residential collector streets.
- **Strategies/Tactics:** Create a master plan that establishes major target zones and systematically increase the number of trees in those target zones each year.

Town of Addison Budget Addison Arbor Foundation

	Actual	Budget	Estimated	Budget
	2002/3	2003/4	2003/4	2004/5
Beg. Bal	38,796	33,500	58,430	68,330
Revenues	12,864	9,000	12,000	12,000
Recycling	7,774	5,000	5,000	5,000
Contributions	714	600	900	1,000
Total Revenues	21,352	14,600	17,900	18,000
Total Available Resources	60,148	48,100	76,330	86,330
<u>Expenditures</u>				
Unspecified		36,200	8,000	50,000
Contract Serv.	1,723			
Total Exp.	1,723	36,200	8,000	50,000
Ending Balance	58,425	11,900	68,330	38,330

Additional Input...

- Execute an annual campaign: tie with official Arbor Day
- Have a separate level of sponsorships and benefits for businesses
- Get on the ABA agenda and present sponsorships to businesses.
- Promote recycling program (it's a win-win-win situation)
 - Send out an annual thank you to recycling residents

Council Agenda Item: #R7

SUMMARY:

Staff will present a schematic design concept of the Landmark Boulevard/Quorum Drive park area.

FINANCIAL IMPACT:

Budgeted Amount: **\$490,000 - City Manager's Proposed FY 2004-2005 Budget - Parks Capital Projects**

Cost: **\$490,000 – Includes Design Fees and Construction**

BACKGROUND:

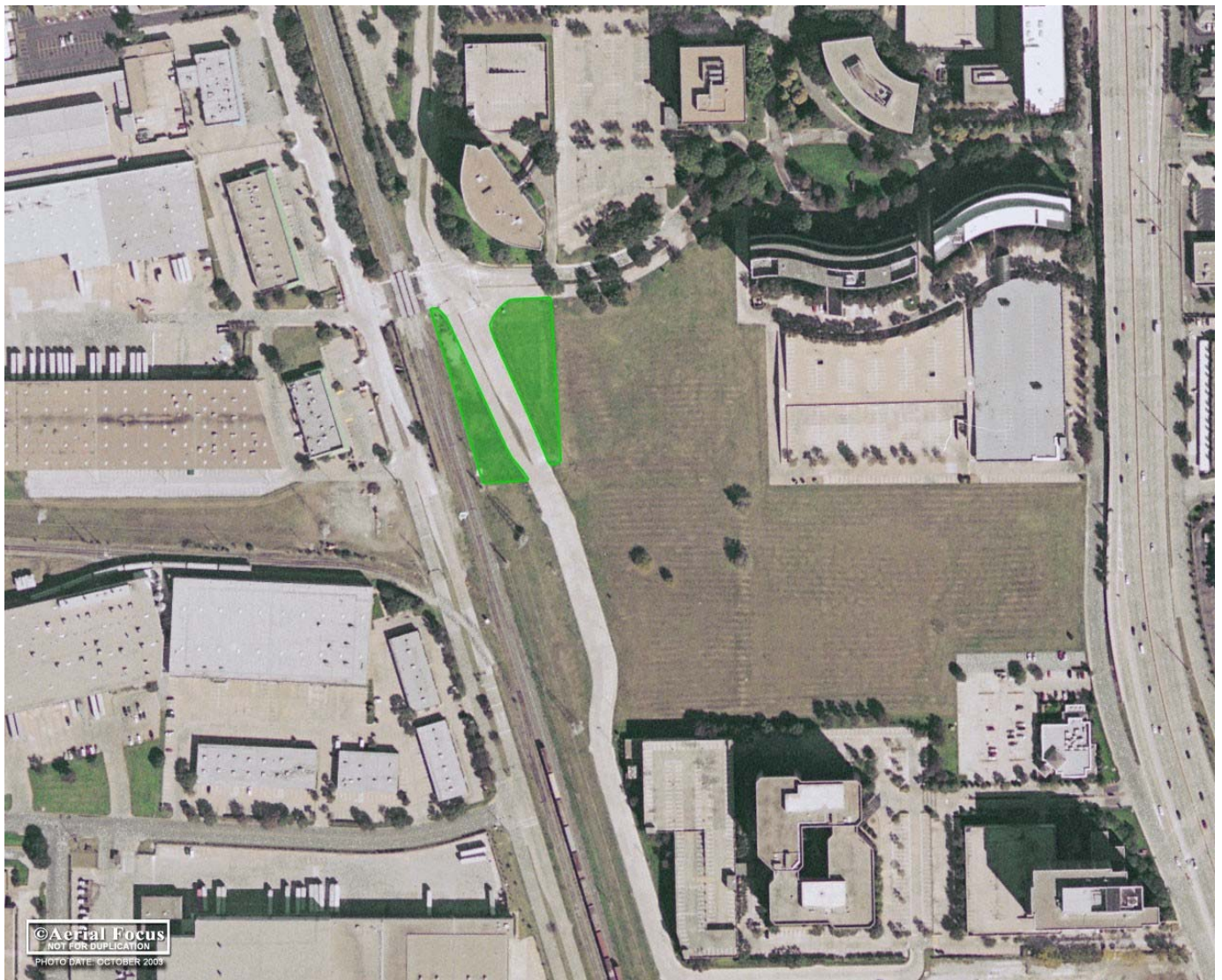
The attached aerial photo shows the location of the proposed park. This was the site of the drive-through bank purchased by the town for the extension of Landmark Drive to the south. The new road split the site into two parcels on the east and west side of the road, as well as, a center median. The east parcel is 24,000 square feet, and the west parcel next to the railroad tracks is 14,000 square feet. The combined space is 38,000 square feet equaling .87 acres.

Staff provided the design criteria to David Baldwin architects, which includes shade structure for nearby office building employees to use, landscaping and land forming in keeping with the South Quorum landscaping, lighting and space for public art. Major emphasis was placed on park security and visibility.

RECOMMENDATION:

Staff recommends approval.

#R7-2



Council Agenda Item: #R8

SUMMARY:

Staff recommends that the Council approve a design proposal from David Baldwin, Inc. totaling \$46,680.00 for landscape architecture design services for the Landmark Boulevard/Quorum Drive Park.

The attached proposal outlines the scope of services and fee schedule.

FINANCIAL IMPACT:

Budgeted Amount: **\$490,000.00 - Design and Construction Budget**

Cost: **\$46,680.00 – Design Fee**

The design fee is ten percent of the \$443,000 construction budget. Based on past experience, this fee range is consistent with prior fees with similar services. Surrounding municipalities are paying fees generally ranging from 8.5 percent to 13 percent. This proposal includes topographic survey and platting services, which are typically not included in the fee for basic design services.

BACKGROUND:

As outlined in the proposal, the scope of work includes design of the .87-acre park that considers elements consisting of a pedestrian shade structure, lighting, sculpture space, hardscape/paving, landscaping and irrigation.

David Baldwin Landscape architects will provide refinement of the schematic design based on the Councils review and input, design development and construction plans, contract administration and construction observation.

Construction plans are scheduled to be completed in February 2005.

RECOMMENDATION:

Some of David Baldwin's projects include the Addison Athletic Club Expansion landscaping and hardscape, Allen City Hall, Allen Civic Plaza, Plano Haggard Park, Plano Shawnee Park, McKinney Berkshire West Park and McKinney Highpointe Park.

Staff recommends approval.

September 2, 2004

Mr. Slade Strickland
Director, Parks and Recreation
Town of Addison
PO Box 9010
Addison, Texas 75001-9010

Re: Proposal/Agreement for Landscape Architectural Services

LANDMARK BOULEVARD PARK

Addison • Texas

Dear Slade:

David C. Baldwin Inc. ("DCBI") is pleased to submit to the Town of Addison ("Client") this proposal for landscape architectural services for the Landmark Boulevard Park ("Project") located on the southeast quadrant of Landmark Boulevard and Quorum Drive and 14,000 s.f. of land on the southwest corner of Landmark Boulevard and Quorum Drive in Addison, Texas, and being approximately 0.55 acres in size ("Site"). Upon acceptance of the terms and conditions provided herein by Client (as evidenced by the execution of this document by Client in the space indicated below), this document shall become the fully binding and exclusive agreement between the parties with respect to the Project (this document, whether accepted or not, shall be referred to herein as this "Agreement"). Based on our understanding of the Project, DCBI proposes to provide Client with the following design development, construction documentation and/or construction administration services (collectively "Services") with respect to the Project:

1.0 BASIC SERVICES

1.1 SURVEY

- 1.1.1 **Research** – The Landscape Architect will research deed records to obtain copies of the perimeter properties abutting the Park and will also research Town and County records to obtain copies of platted properties abutting the parks. Utilizing this known data, the Landscape Architect will prepare a base work map for the boundary survey check. The Landscape Architect will research existing paving, drainage, water and sanitary sewer plans at the Town, which may impact design of facilities.

1.1.2 **Topographic, Tree Tie, Boundary Check, and Design Surveys:**

The Landscape Architect will extend Town horizontal and vertical datum to the site utilizing GPS instruments to the site. The Landscape Architect will contact public utilities and coordinate flagging existing underground lines. The Landscape Architect will perform a detailed topographic survey of the site extending up to the center of perimeter roadways and approximately 20 feet into the perimeter of the abutting tracts where permission to survey is obtained. The Landscape Architect will tie the existing improvements on the properties. The Landscape Architect will tie existing drainage structures and improvements where connections may be required for the planned project improvements. The Landscape Architect will compile all the topographic data into a digital topographic (one foot interval contours) model for use by the design team. The Landscape Architect will close out and verify the perimeter boundary of the site for platting.

1.2 **PLATTING**

1.2.1 **PRELIMINARY PLAT:** The Landscape Architect will provide the preliminary plat, preliminary study, prepare the plat application and coordinate approval of the preliminary plat.

1.2.2 **FINAL PLAT:** The Landscape Architect will process a Final Plat for the site through the Town of Addison. The final plat will indicate public easements, boundary, legal description, dedication statements, signature and other matters as required by the Town. The Landscape Architect will set lot corners and set two control monuments as required by Town regulations. The Landscape Architect will coordinate approval of the Plat by Town Staff and Placement on the Planning & Zoning Commission Agenda. The Landscape Architect will coordinate execution of the Final plat by the owner and coordinate filing with Dallas County.

1.3 **DESIGN DEVELOPMENT** - Based on Client input, DCBI will prepare a Design Development package for the Site based on the previously completed and approved Schematic Design prepared under a Separate Agreement. The Design Development will show further design refinement to include the following:

- a. Street median landscaping (adjacent to park land)
- b. Trellis
- c. Site furnishings such as lighting, benches, tables with seating, etc.
- d. Landscape plantings and earth forms (berming and retaining walls)
- e. Landscape irrigation system
- f. Other elements as appropriate

The schematic design plan will be drawn at a scale sufficient to explain design intent. Drawings will include a color rendered site plan and any necessary cross sections and enlarged plans to explain the design intent. DCBI will prepare a statement of probable cost, based upon the schematic design package.

1.4 CONSTRUCTION DOCUMENTATION - Based on the Client approved design development package, DCBI will prepare a set of contract documents sufficient to describe the work necessary for construction (the “Contract Documents”). The following documents will be prepared:

- a. Layout and materials plan;
- b. Grading plan;
- c. Planting plan;
- d. Site lighting including electrical engineering;
- e. Irrigation plan;
- f. Details and sections at appropriate scales necessary to convey the sizes, appearances, finishes, and colors of pavements, walls, steps, planters, site furnishings, site structures, lighting and irrigation equipment; and
- g. Complete Technical Specifications (CSI format) describing all elements of the proposed work. General and supplementary general conditions of the construction contract and the necessary contract forms will be provided by the Client.

1.5 BIDDING & NEGOTIATION/CONSTRUCTION ADMINISTRATION

Upon the completion of the other Basic Services provided above, DCBI will assist Client in the retention of qualified personnel to provide the services required to complete the Project, as follows:

- a. Preparation of any addenda to the Contract Documents as may be required during the bidding or negotiating process;
- b. Evaluation and assessment of bids or negotiated proposals;
- c. Propose and/or evaluate value engineering and substitutions with respect to cost implications and effect on quality and/or scope of the work;
- d. Attend one pre-construction meeting and assist the Client in conducting this meeting;
- e. Review shop drawings and contractor submittals as they relate to the overall site development and general conformance of the design as set forth by the contract documents;
- f. Assist in the review of substitutions, change orders, contractor schedule reports and pay requests;
- g. Make one trip with the selected contractor for the selection and tagging of plant material (within immediate DFW Metroplex; does

not include out-of-town trips requiring excessive time and expense);

- h. Visit the Site to observe and report on the progress and quality of work and to determine, in general, if the work is proceeding in accordance with the contract documents. Site visits are limited to three Site visits plus one punch list visit.
- i. Provide a written report of each Site visit, including a summary of any corrective work to be performed;
- j. Assist the contractor in the preparation of a list of items requiring corrective action prior to the contractor's final pay request and Client's acceptance; and
- k. Determine and certify substantial completion.

2.0 ADDITIONAL SERVICES - The following additional services related to the Project may be provided if mutually agreed upon by the parties, and if so provided shall become part of the Services:

- a. Preparation of environmental graphics package;
- b. Any rezoning related services;
- c. Services for special Site features or amenity, i.e. fountain mechanical, sculpture;
- d. Professional model building services;
- e. Additional travel beyond that provided in this Agreement;
- f. Civil or mechanical engineering services; storm water calculations, subsurface drainage and utility layouts as they relate to any aspect of the Project;
- g. Illustrative renderings beyond those described in the Basic Services listed in this Agreement;
- h. Construction document revisions due to Client requested changes once construction document level design has commenced;
- i. Construction administration services beyond those described in Basic Services;
- j. Special investigations involving detailed consideration of operations, maintenance, and overhead expenses; special feasibility studies, appraisals and valuations; and material audits or inventories required by Client;
- k. Environmental impact studies or assessments or audits and/or services in connection with Regulatory Agency Permitting; and
- l. Preparation of maintenance manuals.

3.0 EXCLUDED SERVICES - Unless otherwise agreed to in writing, the following services will not be provided by DCBI, and shall not be considered part of the Services:

- a. Project management;
- b. Processing of payment requests submitted by others;

- c. Evaluation of subsurface conditions;
- d. Evaluation of soil issues (including suitability for plant material, soil content, level of compaction);
- e. Lot line and utilities locations;
- f. Preparation of bidding requirements;
- g. Preparation of existing plant inventory; and
- h. Subsurface drainage design.

4.0 CLIENT'S RESPONSIBILITIES

- 4.1** Client agrees to provide DCBI with all information, surveys, reports, and professional recommendations requested by DCBI in providing the Services, and acknowledges that DCBI may reasonably rely on the accuracy and completeness of any items so provided.
- 4.2** DCBI is not responsible for any necessary permits from authorities having jurisdiction over the Project and Site. DCBI will assist permitting process by completing and submitting appropriate paperwork and forms to Client or governing authorities. DCBI's assistance, however, shall not include attendance at more than one meeting with such governing authorities or creating additional or special documentation required by such authorities.
- 4.3** Client agrees to comply with the responsibilities provided in this section in a timely manner so as not to delay the orderly and sequential progress of the Services.

5.0 ESTIMATED SCHEDULE AND PROJECT BUDGET

- 5.1** DCBI shall complete the Design Development package no later than November 2, 2004. DCBI shall complete the Contract Documents no later than February 8, 2005. During the course of the Project, anticipated and unanticipated events may impact this Project schedule. Should such impact occur, DCBI shall meet with appropriate Town of Addison staff to establish a new completion date(s) acceptable to both parties.
- 5.2** As of the date of this Agreement, Client's Project construction budget is \$450,000. Client agrees to promptly notify DCBI if Client's schedule or budget changes. Client acknowledges that significant changes to the Project schedule, budget or the scope of the Project may require Additional Services from DCBI.

6.0 REPRESENTATION; STANDARD OF CARE; LIABILITY OF PARTIES; PERFORMANCE OF WORK

- 6.1** DCBI represents and warrants that it is authorized to practice landscape architecture in the State of Texas and that any necessary licenses, permits

or other authorization to practice landscape architecture and to provide the services set forth herein have been heretofore acquired as required by law, rule or regulation.

6.2 Notwithstanding anything herein to the contrary, DCBI and Client agree and acknowledge that Client is entering into this Agreement in reliance on DCBI's professional abilities with respect to performing the services set forth herein. DCBI agrees to use its professional skill, judgment and abilities in the performance of its services hereunder, and shall render services under this Agreement and in connection with the Project in accordance with the professional standards of landscape architecture prevailing in the Dallas-Fort Worth metroplex area and shall use the skill and care commensurate with the requirements of the landscape architecture profession. DCBI shall perform its services in accordance with all laws, regulations, and rules in accordance with the standard of care set forth herein.

6.3 Without in any way limiting the foregoing or any other provision of this Agreement, DCBI shall be liable to Client for any and all damages, injuries, liability, or other harm of whatever nature to the extent caused by or resulting from any negligent, grossly negligent, or intentionally wrongful errors, acts or omissions of DCBI, DCBI directors, partners, officers, employees, agents, contractors, subcontractors, or any person or entity for whom DCBI is legally liable, in the provision of its services under this Agreement, and for other breaches by DCBI to the extent DCBI was negligent, grossly negligent, or intentionally wrongful in its performance of professional services under this Agreement.

6.4 DCBI shall perform all work hereunder in a manner satisfactory and acceptable to Client in accordance with the standard of care set forth herein.

7.0 COMPENSATION AND PAYMENTS - The Client shall compensate the Landscape Architect for the services described in 1.0 above as follows:

7.1 BASIC SERVICES – Forty-six thousand six hundred eighty dollars and no cents (\$46,680.00) which includes reimbursable expenses.

7.2 SCHEDULE OF CURRENT HOURLY BILLING RATES:

Hourly reimbursable services for Additional Services above and beyond the Basic Services will be based on each staff-hour expended, and billed at billing rates for the specific individual engaged on the project.

Billing rates within several employee categories are illustrated below.

OFFICE STAFF	Billing Rate Ranges PER HOUR
Principal Landscape Architect	\$125.00
Registered Landscape Architect	\$ 90.00
Graduate Landscape Architect	\$ 80.00
CAD / Technical (drafting)	\$ 60.00
Principal Engineer or Principal/Registered Surveyor	\$160.00 - \$160.00
Registered Engineer/Project Manager	\$86.00 - \$147.00
Engineer Senior Technician/Graduate Engineer	\$65.00 - \$ 90.00
Engineer Draftsperson/Junior Technician	\$38.50 - \$ 58.00
Secretarial/Word Processing	\$30.00 - \$ 55.00

FIELD SURVEY CREW STAFF	Billing Rate Ranges PER HOUR
<i>Based on billing rates for individual crew members ranging from \$25.50/hr to \$54.00/hr each, the billing rates for survey crews will be as follows:</i>	
Two-man Field Survey Crew	\$120.00
Three-man Field Survey Crew	\$158.00
Four-man Field Survey Crew	\$197.00
GPS Field Survey Crew	\$165.00

Note: Texas legislation provides for state sales tax to be applied to certain surveying services (primarily boundary surveys). Where applicable, sales tax will be added in addition to the above rates unless client is tax exempt.

7.3 REIMBURSABLE EXPENSES - All reasonable expenses incurred by DCBI in providing the Services, including, but not limited to, reproduction, postage, document handling, long distance and facsimile charges, and authorized travel are included in the Basic Services fee, including 5 sets of the Contract Documents. Client requested renderings and models other than described in Basic Services shall be in addition to the Basic Services fee.

7.4 BILLING - DCBI shall submit to Client an invoice or billing statement for Basic and Additional Services, as well as Reimbursable Expenses, in form and substance satisfactory to Client, once a month. All invoices or billing statements shall include a statement of services rendered and the amount owed in connection therewith and the sum of all prior payments. Payment for work properly performed is due within 10 business days from Client's receipt of invoice. Payment not made within 60 days from the

end of the calendar month to which the invoice applies will bear interest at the rate of 1.5% per month until paid.

8.0 TERMINATION

8.1 If the Project is suspended for more than 30 consecutive days, for reasons other than the fault of DCBI, DCBI shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, DCBI's compensation shall be equitably adjusted by an amount agreed to by the parties to provide for expenses incurred in the interruption and resumption of DCBI's services; provided, however, that in no event shall total compensation under this Agreement exceed \$46,680.00. DCBI shall not be entitled to any compensation for any services or work not actually performed as a result of any abandonment or suspension of work by the Client.

8.2 If the Project is abandoned by the Client because of the abandonment of the Project for more than 90 consecutive days, DCBI may terminate this Agreement by giving written notice.

8.3 This Agreement may be terminated by Client upon not less than fourteen days' written notice to DCBI. This Agreement may be terminated by either party upon not less than seven days' written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

8.4 In the event of termination of this Agreement, no amount shall be due DCBI for lost or anticipated profits. If Client has compensated DCBI for work not yet performed, DCBI shall promptly return such compensation to Client in the event of termination. In the event of termination and upon payment to DCBI for work properly performed by DCBI to the date of termination, DCBI shall deliver to the Client all finished or unfinished documents, data, studies, surveys, drawings, maps, models, reports, photographs or other items prepared by DCBI in connection with this Agreement and the Project.

9.0 DISPUTE RESOLUTION - Client and DCBI agree to mediate claims or disputes arising out of or relating to this Agreement as a condition precedent to litigation. The mediation shall be nonbinding and shall be conducted by a mediation service mutually acceptable to both parties to be chosen within thirty (30) days after written notice by the party seeking mediation. A demand for mediation shall be made within a reasonable time after a claim or dispute arises and the parties agree to participate in mediation in good faith. Mediation fees shall be shared equally. In no event shall any demand for mediation be made after the date when institution of legal or equitable proceedings based on such claim or dispute would be barred by the applicable statutes of limitation.

10.0 USE AND OWNERSHIP OF DOCUMENTS; REPRESENTATION REGARDING DOCUMENTS; CLIENT'S APPROVAL OF DOCUMENTS

- 10.1** Upon payment to DCBI for work properly performed, drawings, designs, plans, specifications, reports, information, and other documents or materials (together, "Drawings") prepared by DCBI in connection herewith belong to, and remain the property of, the Client for its exclusive reuse at any time without further compensation and without any restrictions, and all intellectual property rights in connection with the same (whether copyright or otherwise) are hereby assigned by DCBI to Client. DCBI may make and retain reproducible copies of the same for DCBI's own record and use. Upon such payment to DCBI, Client shall be furnished with such Drawings
- 10.2** Client acknowledges that the Drawings are subject to professional interpretations relating to changed circumstances, including the passage of time. Such Drawings are not intended or represented to be suitable for additions, extensions, alterations, or completion of the Project by another landscape architect or use on any other project. Any use without written verification or adaptation for the specific purpose intended shall be at the user's sole risk and without liability or legal exposure to DCBI. The Client agrees to waive all claims against DCBI and, to the extent permitted by law and without waiving any immunity to which Client is entitled and subject to the limitations of the Texas Tort Claims Act, to the extent that it applies to the Client, indemnify and hold DCBI harmless from any liability, claim, injury or loss arising from the negligent use by Client of the Drawings.
- 10.3** Notwithstanding Client's approval of any of the Drawings, DCBI warrants and represents that the same, as the same may be amended or supplemented by DCBI, per the standard of care, shall, to the best of DCBI's knowledge, information and belief as landscape architect performing the practice of landscape architecture in accordance with the standards, duties, and obligations set forth herein, be sufficient and adequate for construction of the Project, shall be free from material error, and shall be satisfactory to the Client. In accordance with the standard of care, DCBI agrees that if it shall recommend unsuitable materials in connection with the Project and this Agreement or if the design of the Project should be defective in any way, DCBI will assume sole responsibility for any damages, loss, claims, or expenses to the extent caused by DCBI's recommendation of unsuitable materials or defective design. Approval by the Client of any of DCBI's Drawings or work pursuant to this Agreement shall not constitute nor be deemed a release of the responsibility and liability of DCBI, its employees, subcontractors, agents and consultants for the accuracy and competency of the same, nor shall such approval be deemed to be an assumption of or an

indemnification for such responsibility or liability by the Client for any defect, error or omission in such Drawings or work, it being understood that the Client at all times is ultimately relying on DCBI's skill and knowledge in preparing the Drawings.

10.4 Client hereby grants DCBI the right to include descriptions of the Project in its promotional and professional materials.

11.0 GOVERNING LAW - This Agreement is governed by the law of the state of Texas. In the event of any action under this Agreement, venue for all causes of action shall be instituted and maintained in Dallas County, Texas (state court) or in the northern district of Texas (federal court). The parties agree that the laws of the State of Texas shall apply to the interpretation, validity and enforcement of this Agreement, and, with respect to any conflict of law provisions, the parties agree that such conflict of law provisions shall not affect the application of the law of Texas (without reference to its conflict of law provisions) to the interpretation, validity and enforcement of this Agreement.

12.0 ENTIRE AGREEMENT AND SEVERABILITY

12.1 This Agreement is the entire and integrated agreement between Client and DCBI and supersedes all prior negotiations, statements or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Client and DCBI.

12.3 In the event that any term or provision of this Agreement is found to be void, invalid or unenforceable for any reason, that term or provision shall be deemed to be stricken from this Agreement, and the balance of this Agreement shall survive and remain enforceable.

13.0 ASSIGNMENT - Neither party can assign this Agreement without the other party's written permission.

14.0 LIMITED CONSTRUCTION PHASE SERVICES.

14.1 Notwithstanding any other term in this Agreement, DCBI shall not control or be responsible for another's means, methods, techniques, schedules, sequences or procedures, or for construction safety or any other related programs, or for another's failure to complete the work in accordance with the plans and specifications applicable to any portion of the Project.

14.2 Construction-phase services will be provided to determine the general progress of the work, but will not include supervision of the contractors, or of their means, methods, techniques, schedules, sequences or procedures, or for construction safety or any other related programs. DCBI will

provide a written report of each Site visit, including a summary of any corrective work to be performed.

- 14.3** If construction-phase payment certification services are included in this Agreement, such certifications for payment shall be a representation to the Client that, to the best of DCBI's knowledge, information and belief, the work has progressed to approximately the point indicated. Such certification shall be subject to any noted qualifications by DCBI and shall not be a representation that DCBI has supervised the work, reviewed means, methods, techniques, schedules, sequences or procedures, or for construction safety or any other related programs of the contractors, or that DCBI has reviewed how or for what purpose the contractor has used or intends to use the contract funds.
- 15.0 MAINTENANCE** - Client acknowledges and agrees that proper Project maintenance is required after the Project is complete. A lack of proper maintenance in areas such as, but not limited to, irrigation system maintenance, lighting maintenance, mowing and pruning, may result in damage to property or persons. Client further acknowledges that DCBI is not responsible for the results of any lack of or improper maintenance of the Project.
- 16.0 NO THIRD PARTY BENEFICIARIES** - Nothing in this Agreement is intended to create a contractual relationship for the benefit of any third party. There are no intended beneficiaries of this Agreement except DCBI and Client.
- 17.0 INSURANCE** - In connection with this Agreement, DCBI shall provide and maintain in full force and effect during the term of this Agreement:
- 17.1** Workers' compensation and employer's liability insurance for the protection of DCBI's employees, to the extent required by the law of the State of Texas;
- 17.2** Commercial general liability insurance with limits not less than One Million and No/100 Dollars (\$1,000,000.00) each occurrence combined single limit bodily injury and property damage, including contractual liability (covering, but not limited to, the liability assumed under the indemnification provisions of this Agreement), personal injury, broad form property damage, products and completed operations coverage (and if such commercial general liability insurance contains a general aggregate limit, it shall apply separately to the Services under this Agreement);
- 17.3** Comprehensive automobile liability insurance with limits not less than One Million and No/100 Dollars (\$1,000,000.00) each occurrence

combined single limit bodily injury and property damage, including owned, non-owned and hired auto coverage, as applicable; and

- 17.4** Professional Liability Insurance to protect from liability arising out of the performance of professional services under this Agreement. Such coverage shall be in the sum of not less than One Million and No/100 Dollars (\$1,000,000.00) per claim and aggregate. This coverage must be maintained for at least two (2) years after the project contemplated herein is completed. If coverage is written on a claims-made basis, the retroactive date must not be later than the inception date of this Agreement.

All such policies of insurance shall (a) be issued by insurance companies reasonably acceptable to Client, (b) except for professional liability insurance, shall name (by endorsement) the Town of Addison, Texas, its officials, officers, employees and agents as an additional insured or loss payee, as the case may be, (c) in all liability policies, provide that such policies are primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of activities conducted hereunder, (d) except for professional liability insurance, shall contain a waiver of subrogation endorsement in favor of the Town of Addison and (e) provide for at least thirty (30) days written notice to the Town of Addison, Texas prior to cancellation, non-renewal or material modification which affects this Agreement. Certificates of insurance (together with the declaration page of such policies, along with the endorsement naming the Town of Addison, Texas as an additional insured or loss payee, as the case may be,) satisfactory to Client, evidencing all coverage above, shall be promptly delivered to Client and updated as may be appropriate, with complete copies of such policies furnished to the Client upon request. The Client reserves the right to review the insurance requirements contained herein and to reasonably adjust coverages and limits when deemed necessary and prudent by the Client.

- 18.0 INDEMNIFICATION** - In connection with this Agreement, DCBI agrees to and shall indemnify the Town of Addison, Texas, its officials, officers, agents and employees (together, for purposes of this subparagraph, the "Indemnified Persons") against, and hold the Indemnified Persons harmless from, any and all claims, actions, causes of action, demands, losses, harm, damages, liability, expenses, lawsuits, judgments, costs, and fees asserted by any person or entity on account of or for any injury to or the death of any person, or any damage to or destruction of any property, or any other harm for which damages or any other form of recovery is sought (whether at law or in equity), to the extent caused by the negligent, grossly negligent, or intentionally wrongful acts, errors, or omissions of DCBI, its officers, employees, agents, engineers, consultants, or any person or entity for whom DCBI is legally liable, under, in connection with, or in

the performance of, this Agreement. The provisions of this paragraph shall survive the termination of this Agreement.

19.0 SURVIVABILITY OF RIGHTS AND REMEDIES - All obligations arising prior to termination of this Agreement and all provisions of this Agreement allocating responsibility or liability between DCBI and Client shall survive the completion of the services hereunder. Any rights and remedies either party may have with respect to the other arising out of the performance of services during the term of this Agreement shall survive the cancellation, expiration or termination of this Agreement.

20.0 NOTICE - All payments, notices, demands, or requests from one party to the other shall be personally delivered or sent by United States mail to the addresses stated in this Paragraph:

To DCBI:

David C. Baldwin Inc.
730 East Park Boulevard
Suite 100
Plano, TX 75074
Attention: David C. Baldwin

To Client:

Town of Addison, Texas
5300 Belt Line Road
P.O. Box 9010
Dallas, Texas 75240-7606
Attention: City Manager

All notice or communications required to be given in writing by one party or the other shall be considered as having been given to the addressee (i) if by hand delivery, at the time of delivery, or (ii) if mailed, seventy-two (72) hours after the deposit of same in any United States mail post office box. The addresses and addressees for the purpose hereof may be changed by giving notice of such

change in the manner herein provided for giving notice. Unless and until such written notice is received the last addresses and addressee stated by written notice, or provided herein if no written notice of change has been sent or received, shall be deemed to continue in effect for all purposes hereunder.

21.0 AUTHORITY - The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Agreement on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are now in full force and effect.

We appreciate the opportunity to collaborate on the Project, and look forward to working with you. Should you have any questions with respect to this Agreement, please feel free to contact me.

Sincerely,

DAVID C. BALDWIN INC.

David C. Baldwin
President

AGREED AND ACCEPTED:

Authorized signature for Client

Date

Council Agenda Item: #R9

SUMMARY:

Approval of changes to the Addison Hotel Support Program.

FINANCIAL IMPACT:

Budgeted Amount for 2004-05: \$260,000

Cost for 2004-05: \$260,000

BACKGROUND:

The Addison Hotel Support Program is a long-standing cooperative program between the Town's Visitor Services Department and Addison hotels. It is designed to assist Addison hotels in securing group and convention business. The Town and the hotel share in the cost of providing an amenity that will encourage the group to choose Addison as their destination.

In the past the funds were distributed on a first come first served basis. However, Town and hotel staffs believe it would be more beneficial for the town to pro rate the funds by using a formula based on the average actual usage of each hotel for the last 4 years. This would allow hotels more control of the funds they have available to them. This change would take place in the new 2004-05-budget year.

RECOMMENDATION:

Town Staff and Addison full service hotel staff recommend approval.

TOWN OF ADDISON HOTEL SUPPORT PROGRAM

Proposed Changes in RED

Description: A cooperative marketing program designed to assist Addison hotels in securing group and convention business. The groups can be new business or groups that have previously met at the hotel but are considering other hotels. The Town of Addison and the host hotel share in the cost of providing an amenity that will encourage the group to choose Addison as their destination.

Guidelines:

- Requests for funds shall be submitted at the bid time, not after the group has made their decision to book at the host hotel.
- Applications may be submitted for groups/conventions that take place in the current fiscal year (October 1 - September 30) or future years.

~~☐ Since limited funds are available, Applications shall be reviewed and approved on a first come, first served basis.~~

- Proposed group business shall book a minimum of \$10,000 in room night revenue.
- A maximum of \$5,000 is available to each group; however, the amount provided is based on a two-step process:
 1. 7% of the room night revenue calculates the amount allowed, up to a maximum of \$5,000.
 2. The Town of Addison and host hotel are partners in providing the amenity to the group. Addison will pay the host hotel 75% (up to the maximum amount calculated above) and the host hotel shall pay 25% of the expense of the amenity. Addison pays the host hotel; however, the funds shall be passed along to the group.

NOTE: The group shall receive the lower of the two amounts outlined above.

- The Town of Addison shall receive sponsor recognition in all correspondence and at the meeting/convention in an appropriate manner.
- The following list of amenities shall be approved for funding. Items not listed below will be evaluated on an individual basis and approved by the Addison City Council if the Addison Assistant City Manager deems it necessary.

Local Transportation: Overflow transportation between host hotel and another Addison hotel or the Addison Conference Centre, transportation from D/FW Airport to host hotel or transportation to an entertainment venue within the Town of Addison. Transportation to a restaurant outside of the Town of Addison will not be eligible for funds. Transportation to an amusement or business destination outside the Town of Addison such as the Ballpark in Arlington, Texas Stadium, etc. will be evaluated on an individual basis.

Food and Beverage Events: Breakfast, lunch, dinner, cocktail reception, etc.

Meeting Support: Audio visual equipment, rentals.

Promotional: Program ad, welcome banners, participant bags, VIP gifts.

~~Exploratory: Sales presentations in another city, booth at industry trade shows, site inspections, cooperative community ventures with the Dallas Convention and Visitors Bureau or another D/FW Metroplex City. This category assumes that actual room nights may not be booked directly from these efforts.~~

Staff Support: Letters to group from Mayor, Director of Visitor Services or other Addison staff member, conducting community tours, etc.

Procedures:

- * The Application shall include the following information before it will be reviewed:

Hotel Information: Date of Application, Name of Host Hotel, Sales Manager and Phone Number.

Group Information: Group Name, Contact Name, Address, Phone Number, Program Dates, Estimated Room Nights, Estimated Room Night Revenue, Estimated Catering Revenue, Estimated Outlet Revenue.

Group History: Provide a three year history or state that it is a first time group.

Proposed Amenity: List in detail the amenity to be sponsored by the Town of Addison and the host hotel. For example: list “transportation from D/FW Airport to host hotel.” The host hotel shall inform the Town of Addison in writing prior to the group/convention should the proposed amenity change or the approved funds may not be available.

Miscellaneous Information: Additional information pertinent to the group.

Signatures: The Application shall be signed by the host hotel Sales Manager and Director of Sales prior to it being submitted for approval. The Application shall be approved by the Director of Visitor Services ~~and the Assistant City Manager~~ for the Town of Addison within ten days providing that all of the requested information is received.

- Once the Application has been approved, a confirmation letter will be sent to the Sales Manager at the host hotel.
- The host hotel shall provide the Town of Addison with a copy of the contract at the time it is signed by the group. Funds shall not be available if this information is not received at least ten days prior to the group/convention. The Town of Addison may choose to send a welcome letter to the group and offer to provide community brochures or other information to the group/convention attendees.

- Once the signed contract is received, the Town of Addison will issue a Purchase Order for all groups taking place within the current fiscal year.
- Since funds are reserved for every Application that is approved, the host hotel shall inform the Town of Addison with written authorization to release the funds should a group choose another destination.

Submit Application and correspondence to:

Director of Visitor Services
Town of Addison
P.O. Box 9010
Addison, Texas 75001-9010
972/450-6202
972/450-6225 FAX

Disbursement of Funds:

At the time of invoice, the host hotel shall submit the following information:

1. Invoice to the Town of Addison for the proposed amenity, along with receipts showing actual costs incurred by the group.
2. Written report of actual room nights booked by the group and actual room night revenue. If the group generated less room night revenue than was originally stated on the Application, the disbursement of funds may be reduced based on the program guidelines.
3. Written documentation verifying that the host hotel provided the group with 25% of the cost of the approved amenity.
4. Samples of the Town of Addison's sponsor recognition.

Anticipated Disbursements for 2004/2005

During the four year term of this Program, three full-service hotels located in Addison have been the primary participants - the Hotel InterContinental, the Marriott Quorum, and the Crowne Plaza. During the term, the percentage use of the Program by these hotels has been as follows: InterContinental - 60.5%, Marriott Quorum - 17.24%, and Crowne Plaza - 22.26%. In order to facilitate their annual budgeting process, the hotels have voluntarily acknowledged, agreed and requested that these same percentages be used in connection with the disbursement by the Town's program funds for the fiscal year beginning October 1, 2004 and ending September 30, 2005. It is therefore anticipated that these percentages will be applied to Program fund disbursements for the fiscal year beginning October 1, 2004. However, the Town has the right and authority, in its sole discretion, to modify the Program at any time and for any reason, including, without limitation, the right to adjust these percentages.

Council Agenda Item: #R10

SUMMARY:

The Town of Addison has an existing grant with the Federal Emergency Management Agency. Part of this grant is for the purchase and installation of vehicle exhaust systems at both fire stations. We have gone out for bids for the vehicle exhaust systems and are now ready to have the Town Council approve a bidder.

FINANCIAL IMPACT:

Budgeted Amount: \$109,178.00 (within grant)

Cost: \$68,464.15 Total Cost (Town of Addison 10% match is \$6,846.42)

BACKGROUND:

On December 1, 2003, the Addison Fire Department received a Federal Assistance to Firefighters Grant in the amount of \$232,074.00. This grant is a 90% Federal, 10% local matching grant. The grant provided funds for aircraft-rescue-firefighter training; upgrades to our self-contained breathing apparatus and fire station vehicle exhaust systems. The training and self-contained breathing apparatus upgrades are ongoing. This request deals with the last portion of the grant, the fire station vehicle exhaust systems. A request for proposal was released and one bid was received from Air Vacuum Corporation.

The vehicle exhaust system bid is a state of the art system. This system is mounted to the ceiling support structures at both stations. There are two main advantages to this type of system. First, this system is not attached to the vehicles in any way. Most other systems connect directly to the exhaust pipes of the fire apparatus. Second, the maintenance costs for this system are much less than the conventional systems.

RECOMMENDATION:

The Addison Fire Department recommends the award of a bid to Air Vacuum Corporation in an amount of \$68,464.15.



MEMORANDUM

TO: Mayor and City Council
Town of Addison

FROM: Noel Padden
Fire Chief

DATE: September 22, 2004

SUBJECT: Fire Station Vehicle Exhaust Systems

Grant Information

In early 2003, the Town of Addison Fire Department submitted a competitive grant application to the Federal Emergency Management Agency, Assistance to Firefighters Grant Program. This program offers 750 million dollars to local governments to help enhance their abilities to handle a wide variety of emergencies. Our grant proposal requested funds to assist the Addison Fire Department in three specific areas. They include:

- Increasing our response capabilities at the Addison Airport by training additional staff in airport-crash-rescue-firefighting techniques (\$99,050.00);
- Upgrading our existing self-contained breathing apparatus (\$49,632.00); and
- Installation of fire station vehicle exhaust systems at both fire stations (\$109,178.00).

Our grant application was approved on December 1, 2003 in the amount of \$257,860.00. This grant program requires cities the size of Addison to participate at the rate of 10% of the total cost. The cost breakdown on this grant will be \$232,074 for the Federal government and \$25,786.00 for the Town of Addison. Funds to cover the Town's portion were approved within the Fire Departments FY 2003-04 budget.

Fire Station Vehicle Exhaust Systems

Until recently, there were two types of fire station vehicle exhaust systems. The first was physically attached to the fire apparatus as part of the vehicles exhaust system. While this vehicle exhaust system was good at getting rid of the visible particulates associated with exhaust, it did not reduce the amount of hazardous gases that are emitted from internal combustion engines. The second type is basically a vehicle exhaust vacuum system that attaches to the exhaust pipe of the vehicle. It travels along an above vehicle track and automatically disconnects at the fire apparatus door. When the vehicle returned to the station, it is supposed to stop at the door and have the vacuum system reattached to the vehicle exhaust system and backed the rest of the way into the fire station. In practicality, vehicles are driven back into the station spewing exhaust fumes, turned off, and then the vehicle exhaust systems are reattached.

Recently, a new system has been developed that is attached to the ceiling structure of fire stations that eliminates both the visible particulates and the hazardous gasses. This system is automatically activated when the apparatus bay doors open and run for a specified time. No hoses, cords, etc. have to be connected directly to the fire apparatus. A four-stage filter system then removes the various combustion gasses and particulates directly from the air. This system is as effective as the other systems, costs less to acquire and maintain and does not have all the hanging exhaust tubes and cords.

Engineering

Prior to developing our specifications, the Addison Fire Department entered into an engineering contract in the amount of \$2,411.79 with Gunnin Consulting Engineers to assure that the fire stations could accommodate this type of vehicle exhaust system. Their recommended specifications were incorporated into our bid specifications.

Request For Proposal (RFP)

Initially, the Fire Department contacted a number of fire station vehicle exhaust system manufacturers and received their product information. We also talked with fire departments that had these various systems installed. We also made sure that all systems would meet the various applicable standards from the National Fire Protection Association. It was our consensus to develop a bid specification around the type of vehicle exhaust systems that did not attached directly to the vehicles. This specification was developed and turned over to the Finance Department for bid. 133 vendors viewed our specifications on Demand Star and three vendors downloaded our specs. One bidder responded to this RFP. Air Vacuum Corporation took no exceptions to our specifications and agreed to provide the requested performance and payment bond.

Recommendation

Based on the information provided above, the Addison Fire Department recommends the Town Council enter into a contract with Air Vacuum Corporation in the amount of \$68,464.15 for fire station vehicle exhaust systems.

Should you have any questions about this issue, please contact me at your convenience.

Attachments

Vehicle Engine Exhaust Removal System Acquisition & Installation**BID NO: 04-32****DUE: September 14, 2004 @ 2:00PM**

BIDDER	Fire Station 1	Fire Station 2
Air Vacuum Corporation	\$45,387.00	\$23,077.15

Minok Suh

Minok Suh, Purchasing Coordinator*Corey Gayden*

Corey Gayden, Witness



Manufacturer of Air Filtration Equipment
and Supplier of Replacement Filter Products

PRICE QUOTATION – Station #1

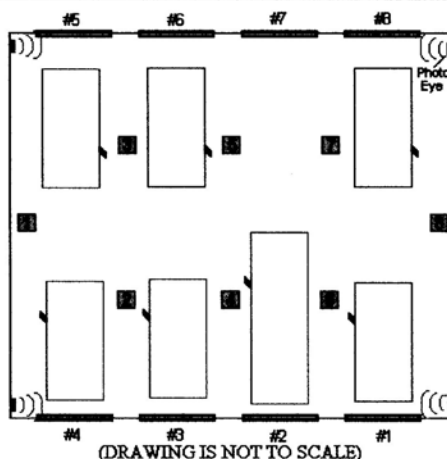
Town Of Addison-Office of the Purchasing Coordinator
Addison Finance Building
5350 Belt Line
Addison, TX 75254

DATE: 9/10/2004
PHONE: 972-450-7089
FAX:
BID NO: 04-32

DESCRIPTION	QUANTITY	UNIT COST	TOTALS
AIR VAC-911 EXHAUST REMOVAL SYSTEM - Single Ph. 115V	8	\$2,640.00	\$21,120.00
AIR VAC-911 FILTER PACK (4-Stage Filter Pack, "Main Filters")	24	\$300.00	\$7,200.00
AIR VAC-911 FILTER GAUGE (Min. one per building section)	1	\$100.00	\$100.00
AIR VAC-911 CONTROL PANEL - MGH/AVEC-8C/T3	1	\$897.00	\$897.00
ACTIVATION PACKAGE - ALE HA70D PHOTO EYE &	2	\$175.00	\$350.00
GRI 4532 MAGNETIC DOOR SWITCH	8	\$25.00	\$200.00
CM-21A CO SWITCH	2	\$325.00	\$650.00
PREFILTERS (12 Per Box/Change date est. indicated below)	48	\$6.25	\$300.00
INSTALLATION "TURNKEY" & DELIVERED	8	\$1,650.00	\$13,200.00
3% Performance and Payment Bonding Fee	1	\$1,370.00	\$1,370.00
MADE IN THE USA			\$45,387.00

♦ FREIGHT: FOB Origin, Prepaid ♦ TERMS: NET 30 ♦ Lead-Time 10 to 12 weeks.

Each AIR VAC-911 Unit is Provided With a TWO YEAR WARRANTY On The Motor Blower System.



This quotation has been prepared By: Thomas J. Vitko Date: 9/10/2004
Quotation Prices are valid for 90 calendar days from quotation date.

STATION NOTES:

Width: 81'

Depth: 72'

Height: 25' to 30'

No. of Air Vac-911's = (8)

Air Changes Per Hour = (6.6)

Average Number Runs Per Year
= 3000

Approximate Filter
Life Expectancy
Prefilters 2-3 months, Main filters
12 to 24 months.



air vacuum corporation

Manufacturer of Air Filtration Equipment
and Supplier of Replacement Filter Products

PRICE QUOTATION – Station #2

Town Of Addison-Office of the Purchasing Coordinator
Addison Finance Building
5350 Belt Line
Addison, TX 75254

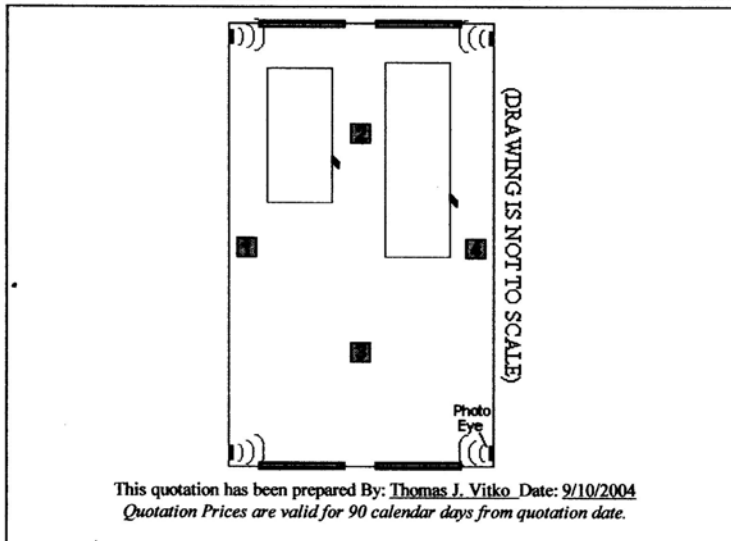
DATE: 9/10/2004
PHONE: 972-450-7089
FAX:
BID NO: 04-32

DESCRIPTION	QUANTITY	UNIT COST	TOTALS
AIR VAC-911 EXHAUST REMOVAL SYSTEM - Single Ph. 115V	4	\$2,640.00	\$10,560.00
AIR VAC-911 FILTER PACK (4-Stage Filter Pack, "Main Filters")	12	\$300.00	\$3,600.00
AIR VAC-911 FILTER GAUGE (Min. one per building section)	1	\$100.00	\$100.00
AIR VAC-911 CONTROL PANEL - MGH/AVEC-4C	1	\$620.00	\$620.00
ACTIVATION PACKAGE - ALE HA70D PHOTO EYE &	2	\$175.00	\$350.00
GRI 4532 MAGNETIC DOOR SWITCH	4	\$25.00	\$100.00
CM-21A CO SWITCH	1	\$325.00	\$325.00
PREFILTERS (12 Per Box/Change date est. indicated below)	24	\$6.25	\$150.00
INSTALLATION "TURNKEY" & DELIVERED	4	\$1,650.00	\$6,600.00
3% Performance and Payment Bonding Fee	1	\$672.15	\$672.15
			\$23,077.15

MADE IN THE USA

♦ FREIGHT: FOB Origin, Prepaid ♦ TERMS: NET 30 ♦ Lead-Time 10 to 12 weeks.

Each AIR VAC-911 Unit Is Provided With a TWO YEAR WARRANTY On The Motor Blower System.



STATION NOTES:

Width: 45'

Depth: 72'

Height: 26'

No. of Air Vac-911's = (4)

Air Changes Per Hour = (6.0)

Average Number Runs Per Year
= 3000

Approximate Filter
Life Expectancy
Prefilters 2-3 months, Main filters
12 to 24 months.

Council Agenda Item: #R11

SUMMARY:

All the Fire Department's pre hospital emergency medical care is required by the State of Texas to be performed under the supervision of a medical control director. The Addison Fire Department maintains such a medical control contract. Our current medical control contract allows us to extend this contract subject to both parties agreeing in writing to such extensions. We hereby request to extend our current medical control contract subject to final review by the City Attorney as outlined in the attached contract.

FINANCIAL IMPACT:

Budgeted Amount: \$24,726.00

Cost: \$24,480.00

BACKGROUND:

The Town's existing medical control contract expires at the end of September 2004. The existing contract allows for the extension of this contract subject to both parties agreeing. The Town and Metrocrest Medical Services wish to extend this contract. The Town went out to bid prior to signing the current contract and Metrocrest Medical Services met all requirements and was the low bidder by a substantial amount.

The Fire Department has received excellent service from Metrocrest Medical Services. Also, their pre hospital emergency medical protocols are the most extensive in the Dallas Fort Worth area. As a result, we are able to deliver a higher level of emergency treatment than surrounding services.

This extension would cover three years as follows:

October 2004 through September 2005	\$24,480.00
October 2005 through September 2006	\$24,960.00
October 2006 through September 2007	\$25,440.00

RECOMMENDATION:

The Addison Fire Department recommends the award of a contract, subject to final review by the Town Attorney, to Metrocrest Medical Services in an amount of \$24,480.00 for pre hospital emergency medical control purposes.



MEMORANDUM

TO: Mayor and City Council
Town of Addison

FROM: Noel Padden
Fire Chief

DATE: September 22, 2004

SUBJECT: Contract Extension to an Existing Medical Control Contract

Background

In November 2001, the Town of Addison entered into a medical control contract with Metrocrest Medical Services. This contract was the result of a competitive bid process. The State of Texas requires providers of pre hospital emergency medical services to operate under the direction of a medical control director/physician for all aspects of our operations. The current contract allows for an extension subject to both parties agreeing in writing to such extensions. Both parties wish to extend this contract.

This contract covers three aspects of pre hospital emergency medical care including medical control, new personnel training and continuing education. First, medical control covers the supervision of pre hospital emergency medical service providers by a licensed physician including on-line (direct voice contact) and off-line (written protocol and procedural review) services.

The second aspect covers new personnel training. In order for a paramedic to operate under the medical director's license, he/she must be trained and tested in the protocols that will be utilized. Every new employee must be proficient with these protocols before the medical director releases them for actual field assignment.

The third aspect is continuing education. Treatment protocols for various injuries and medical conditions are always changing. In order to keep pace with these

changes, continuing education is provided. Continuing education for all pre hospital emergency medical personnel is also required by the State of Texas. This medical control contract provides the necessary continuing education requirements as specified by the State of Texas.

Contract Extension

This contract will extend the current contract for three years. The current cost of this contract is \$24,241.00 for the period of October 2003 through September 2004. Extension costs are as follows:

October 2004 through September 2005	\$24,480.00
October 2005 through September 2006	\$24,960.00
October 2006 through September 2007	\$25,440.00

The outer year costs are subject to the annual appropriation of funds by the City, in the City's sole discretion, to make such payments.

This contract extension also allows for the contract to be extended by mutual consent of the parties. Such a determination will be made during 2007.

Recommendation

Based on the information provided, the Addison Fire Department, subject to final approval by the City Attorney, recommends the Town Council enter into a contract with Metrocrest Medical Services in the amount of \$24,480.00 for pre hospital emergency medical control services.

Should you have any questions about this recommendation or contract, please contact me at your convenience.

Attachment

This Medical Control Contract ("Contract") is entered into this ____ day of _____, 2004 by and between the Town of Addison, Texas (the "City") and Metrocrest Medical Services ("MMS").

WHEREAS, The Town of Addison, (the "City") is a duly incorporated municipality pursuant to the laws of the State of Texas; and

WHEREAS, the City provides Emergency Medical Services ("EMS") solely by and through its Fire Department; and

WHEREAS, Metrocrest Medical Services ("MMS"), a nonprofit corporation organized pursuant to the laws of the State of Texas, is providing Medical Control to Addison Fire Department EMS personnel; and

WHEREAS, the City and MMS desire to enter into this Contract for the purpose of establishing the rights, duties, and responsibilities of the Addison Fire Department and MMS in providing Medical Control to the EMS personnel of the City.

NOW, THEREFORE, for and in the consideration of the mutual promises and covenants herein contained and other good and valuable consideration, the City and MMS do hereby CONTRACT, COVENANT, WARRANT, AND AGREE as follows:

I. GENERAL AGREEMENTS

- A. The City agrees that any personnel receiving Medical Control under this Contract shall be certified by the Texas Department of Health and hold current EMS status. In addition, personnel shall be authorized by MMS, as specified in the appropriate MMS protocol and Medical Control policies. For purposes of this Contract, "Medical Control" (as defined in 25 Tex. Admin. Code 157.2) means the supervision of prehospital emergency medical service providers by a licensed physician, and encompasses on-line (direct voice contact) and off-line (written protocol and procedural review).
- B. The City agrees, in writing, to provide to MMS a detailed description of its EMS District, including names, counties, towns, cities, or other areas. The City agrees to furnish other reports listed in attachment A. Upon request, additional reports will be furnished as agreed to by the City and MMS.
- C. The City agrees that it will provide, maintain, and operate all necessary field, radio and associated equipment of the City in order to maintain communications with Medical Control during periods when such communication is necessary. Ambulance and staffing requirements are defined in attachment B.

- D. The City and MMS agree that MMS's Medical Control policy and procedures manual, including any additions or deletions during the Contract period, shall be incorporated as a part of this Contract. MMS shall give prompt notice of any such additions or deletions to the City.
- E. The City agrees that any use of MMS materials (i.e. Policies & Procedures, Protocols, evaluation forms, etc.) outside of its normal intended use will require permission from MMS prior to use. Outside the normal intended use includes, but is not limited to, use of materials as examples of continuous quality improvement used by the City for proposals, information reports, etc.
- F. To the extent permitted by law, a MMS documentation, Policies & Procedures, Protocols, and other materials used by the City remain the property of MMS, and must be returned should the contractual relationship between MMS and the City terminate. Completed run forms with quality improvement evaluations attached are exempt from being returned. The City agrees that any part which is kept by the City is considered part of the quality improvement process, (and is marked and identified by MMS as being part of the quality improvement process and confidential), and must remain confidential to the extent by law (including, without limitation, the Texas Public Information Act, Chapter 552, Tex. Gov. Code).

II. MEDICAL CONTROL

- A. MMS will provide Medical Control through a Medical Director and Emergency Department physicians, who are licensed to practice medicine in the State of Texas.
- B. The City recognizes that the Texas State Board of Medical Examiners EMS Chapter 197 (22 Texas Administrative Code 197), as amended and any other laws or regulations relating to the services provided by MMS hereunder (which laws and regulations are incorporated herein and made a part hereof for all purposes), shall govern the obligations of the Medical Director and MMS in regard to services provided, which includes, but is not limited to, the MMS Medical Control System authorization of all EMS personnel within the City.
- C. The Medical Director will provide pre hospital protocols, including standing orders for treatment of patients by the EMS personnel under his/her medical direction.
- D. MMS will make available an on-line Medical Control source, which will be available 24 hours a day, 7 days a week to provide medical direction and consultation to the City's EMS personnel.
- E. The City agrees to participate in, and follow the recommendations of, MMS's Quality Improvement (QI) Program.
- F. MMS will provide U.S. Drug Enforcement Agency authorization to purchase controlled substances for the use by the City's EMS personnel.

- G. The City agrees to appoint one supervisor to represent the City for the Quality Improvement Manager committee. This appointment is subject to approval of MMS.

III. New Personnel

- A. The City agrees to report newly certified and/or new EMS personnel to MMS prior to permitting them to provide out of hospital care. The City also agrees to send one copy of each new EMS personnel's Texas Department of Health's EMS certification and, for paramedic-level personnel, a "current" (dated within 2 years of submission) Advanced Cardiac Life Support course completion card to MMS in order to receive authorization to provide patient care in the MMS Medical Control System. New EMS personnel who do not have a "current" ACLS course completion card will have six months in which the next scheduled MMS ACLS course occurs to send a copy of the ACLS completion card. All new EMS personnel will be issued a Medical Control number after MMS receives proper notification of new EMS personnel. The City agrees that personnel hired cannot provide patient care under the authority of the MMS Medical Control System until a Medical Control number has been issued.
- B. New personnel will be required to successfully complete the MMS New Employee Training and Testing Course (NETTC) which will train and test skills and introduce policies and procedures utilized in the MMS Medical Control System. The new personnel will take a written exam covering the protocols applicable to the personnel's certification within the time frame established by the Medical Control policies. Successful completion of this exam will result in full protocol privileges up to the personnel's State certification level. The fees for the attendance for the NETTC training are included in the Contract fees for up to a maximum of (6) six personnel per Contract year. For any additional personnel to attend NETTC training over the maximum number of (6) personnel, MMS's current NETTC class fee will be charged.
- C. If the City does not require the need of (6) personnel to attend NETTC, the City may substitute the balance of non-utilized NETTC positions in any other specialized training class that MMS offers. These may include RSI, FTO, ACLS, PALS, PHTLS, or PEPP.
- D. Individuals not completing the MMS NETTC class after being hired, may be subject to having their medical control authorization revoked, at the discretion of the Medical Director.

IV. CONTINUING EDUCATION

- A. Personnel receiving Medical Control under this Contract shall comply with the MMS CE requirements. MMS will provide Continuing Education ("CE") hours, which are approved by the Texas Department of Health for credit towards re-certification of the City's EMS personnel. The CE will also meet the educational needs of the City's EMS personnel as determined by the QI program. All EMS personnel CE records will be maintained by MMS.

- B. CE will be provided by MMS approved CE Instructors, under the direction of the MMS MCS ("Medical Control System") Manager, a Certified Course Coordinator, and the MMS Medical Director. CE evaluation forms will be available at all CE offerings to give EMS personnel the opportunity to provide MMS with feedback concerning the instructor and class. The EMS Chief may request in writing to restrict or eliminate participation of C.E. instructor(s)
- C. The CE provided by MMS will consist of lecture and practice on skills applicable to the C.E. module and appropriate to the EMS personnel's certification level.
- D. Mandatory attendance by the City's EMS personnel is required and is covered in the appropriate policy.
- E. Missed CE can be made up (within 30 days of the missed CE offering) by successfully completing the CE makeup packet (provided by MMS's CE Coordinator) and passing the written exam covering the material. The appropriate amount of CE credit will be awarded upon successful completion of the makeup packet.
- F. MMS is not responsible for fees required for the EMS personnel's re-certification (for the written CE evaluation, and/or any other fees). State fees will be the sole responsibility of the EMS personnel, City, or both (as defined by the City's own policies/procedures).
- G. MMS may, at its discretion, evaluate EMS personnel during emergency runs and may credit the personnel CE credit hours for those runs. Continuing education credit hours will be awarded based upon TDH rules in effect at the time of EMS personnel evaluation.
- H. Additional CE credit hours may be certified through MMS by attending outside courses or seminars approved in advance by MMS if required verification and/or course information is provided to MMS.
- I. MMS will provide the City, upon request, with a regular report indicating individuals who are nearing their re-certification date. However, the information will be based upon data received from the City and MMS will not be responsible for errors in any such information submitted to MMS by the City. The City further understands the ultimate responsibility of EMS certification rests with the individual EMS personnel.
- J. The City will be responsible for notifying the MMS CE Coordinator of the need for CE reports, which will allow the City to complete the appropriate State required paperwork that City's EMS personnel need to re-certify. The responsibility for re-certification of the City's EMS personnel rests with the City.
- K. MMS will keep track of all CE hours accrued through MMS CE classes. MMS will also keep records of re-certification dates of all personnel. Responsibility for timely re-certification of the City's EMS personnel rests entirely with the City and the individual.

V. COSTS

- A. The costs for Medical Control and Continuing Education per month during this Contract period will be:

Period	Medical Control	Continuing Education	Total Per Month
10/04-9/05	\$1230.00	\$810.000	\$2040.00
10/05-9/06	\$1255.00	\$825.00	\$2080.00
10/06-9/07	\$1280.00	\$840.00	\$2120.00

Payment may be made on an annual, semiannual, quarterly, or monthly basis at the City's election. Payment shall be made on or in advance with the first payment due October 1, 2001. The obligation of the City to make any such payments is subject to the annual appropriation of funds by the City, in the City's sole discretion, to make such payments.

- B. Three (3) 4-hour Continuing Education (CE) programs will be scheduled and provided per month during the term of this Contract. The cost for providing continuing education classes to the City is based upon \$65.00 per class hour for up to ten students. The City agrees to pay MMS \$30.00 per class for the each additional group of ten students or fraction thereof in any class. For example, a CE class of 35 or 40 would cost the City an additional \$90.00 per class hour. Charges for additional instructions are payable in arrears Net 15 following receipt of invoice from MMS.
- C. If, during this Contract, any EMS personnel need additional CE hours or training as determined by the QI Program or at the request of the City, the City must pay a fee to MMS of \$70.00 (plus \$25.00 per hour for each additional instructor for specialty classes) per training hour (for up to 10 students in one class) or \$87.00 (for 11-20 students in one class) provided by MMS to make up the deficiency. However, deficient training hours may also be made up through other sources of certified CE instruction which is *pre-approved* by MMS. MMS will offer the necessary training to keep all EMS personnel current in their CE requirements.

- D. Any increase in cost of providing services hereunder occasioned by changes in applicable laws or regulations from or after the date hereof shall be paid by the City. The fees to be paid hereunder pertain to the scope of services to be provided hereunder, to-wit, Medical Control of a transport service and continuing education classes. Supplemental services, as defined below, fall outside the scope of services of this Contract, and are charged and to be paid as follows:

Medical Director	\$125.00 per hour
Other MMS personnel	\$ 65.00 per hour

Supplemental services are defined as:

1. Pre scheduled standby events at which Medical Control personnel are requested to be present by the City or required to be present by law;
2. Consultations with the City, or on behalf of the City, beyond the normal and customary scope of medical control;
3. Appearances and presentation on behalf of the City, beyond the normal and customary scope of medical control; and
4. The commitment of man-hours by MMS in excess of 120% of those occasioned by providing normal and customary medical control (the "Standard") to the City. For purposes hereof, the standard is determined to be 37 hours per month.

VI. INDEMNIFICATION

MMS shall defend, indemnify and hold harmless the Town of Addison, Texas its officials, officers, employees and agents against and from any and all liability, actions, causes of action, lawsuits, judgments, claims, damages, costs or fees, including attorney's fees and costs of defense, for personal injury, property damage or destruction (including without limitation loss of use of property not otherwise physically injured), breach of contract, or other harm for which recovery of damages or equitable relief (including, without limitation, injunction relief) is sought, suffered by any person or organization that may arise out of any act or omission of the contractor, its officers, employees and agents under or in connection with this Contract.

VII. INSURANCE

In connection with this Contract, MMS shall provide and maintain in full force and effect during the term of this Contract following types of insurance coverage with limits of not less than those set forth below:

- A. Professional Liability Insurance: Liability limits of \$1,000,000 each occurrence and \$3,000,000 aggregate (and such coverage shall be extended for a two year period of time following the termination of this Contract) covering the rendering of or failure to render education, training,

certification, and/or recertification (and including, without limitation, any refusal to grant certification or recertification) of any emergency medical personnel including, without limitation, paramedics; and

- B. Commercial general liability (CGL) and, if necessary, commercial umbrella insurance with a limit of not less than \$1,000,000 each occurrence, which shall include coverages for bodily injury (including, without limitation, death) and property damage, and particularly for liability arising from premises operations, independent contractors, products/completed operations, personal injury, advertising injury, and contractual liability (including without limitation, the liability assumed under the indemnity provisions of this Contract). If such CGL insurance contains a general aggregate limit, it shall apply separately to the work under this Contract; and
- C. Workers compensation insurance in the amounts required by law.

These policies shall be endorsed to provide the following, as applicable: (i) in all liability policies, name the Town of Addison, Texas its officials, officers, agents, and employees as additional insured; (ii) in all liability policies, provide that such policies are primary insurance to any other insurance available to the additional insureds, with respect to any claims arising out of activities conducted hereunder, and that insurance applies separately to each insured against whom claim is made of suit is brought; and (iii) a waiver of subrogation in favor of the Town of Addison, its officials, officers, agents, and employees must be included in all such policies. All insurance policies shall be issued by an insurance company with an A.M. Best's rating of not less than A- and authorized to do business in Texas and in the standard form approved by the Texas Department of Insurance, and shall be endorsed to provide for a least 30 days advance written notice to the Town of Addison of a material change in or cancellation of a policy. Certificates of insurance, satisfactory to the City, evidencing all coverage above, shall be furnished to the City prior to execution of this Contract, with complete copies of policies furnished to the City upon request. The City reserves the right to review and revise from time to time.

VIII. LENGTH/TERMINATION OF CONTRACT

- A. Subject to the annual appropriation of funds by the City for the payment of this Contract, the term of this Contract shall commence on October 1, 2004 and shall remain in effect until September 30, 2007, or such time as this Contract is terminated as provided herein.
- B. After the period of time set forth in paragraph VII.A., this Contract may be extended for two (2) successive periods of one (1) year, provided that both parties agree in writing to such extensions. The fees during such extensions are subject to negotiations between both parties.
- C. This Contract may be terminated for any reason or for no reason by either party and at the sole discretion of that party by giving written notice of such termination to the other party.

The Contract shall terminate ninety (90) days after such notice has been received. MMS shall refund a portion of the fees on a pro-rata basis calculated from the termination date.

- D. Should MMS fail to provide the contracted services to the City for a period of 60 days (excluding any scheduled period of inactivity), this Contract will be considered in default and may be terminated immediately by the City.
- E. MMS shall not, and shall have no power or authority to, assign, transfer, pledge, sublet or otherwise convey (together, "Assignment") any or all of its right, duties, or obligations under this Contract without the prior written consent of the City.

In the event of

- (i) any such Assignment in violation of such prohibition, or
- (ii) the institution against MMS of bankruptcy, insolvency, reorganization, arrangement, debt adjustment, liquidation or receivership proceedings in which it is alleged that MMS is insolvent to unable to meet its debts as they mature, or
- (iii) the filing of a petition under any section or chapter of the National Bankruptcy Act, as amended, or under any similar law or statute of the United States or any state thereof by MMS or any guarantor of MMS' obligations, or adjudication as a bankrupt or insolvent in proceedings filed against MMS or such guarantor, or
- (iv) the appointment of a receiver or trustee for all or substantially all of the assets of MMS or any guarantor of MMS' obligations,

The same shall be an event of default under this Contract and the City shall the right to terminate this Contract immediately.

- F. Should payment by the City to MMS fall behind 60 days from date due, this Contract will be considered in default and may be terminated immediately by MMS.
- G. Except as otherwise provided herein, whenever this Contract requires or permits any consent, approval, notice, request, or demand from one party to the other, the consent, approval, notice, request or demand must be in writing to be effective and shall be deemed to have been given when personally delivered to the party to be notified or on the second business day after it is enclosed in an envelope, addressed to the party to be notified at the address set forth below (or at such address as may have been designated by written notice), properly stamped, sealed, and deposited in the United States mail, certified mail, return receipt requested. The address of each party for purposes hereof is as follows:

MMS: Metrocrest Medical Services, Inc.
Attn.: Director of Operations
1508 E. Beltline Rd. #101
Carrollton, Texas 75006

City: Town of Addison
Attn.: Kurt Hall
PO Box 9010
Addison, TX 75001-9010

In the event of any action under this Contract, venue for all cases of action shall be instituted and maintained in Dallas County, Texas. The parties agree that the laws of the State of Texas shall apply to the interpretation, validity and enforcement of this Contract; and, with respect to any conflict of law provisions, the parties agree that such conflict of law provisions shall not affect the application of the law of Texas (without reference to its conflict of law provisions) to the interpretation, validity and enforcement of this Contract.

If any clause, paragraph, section of this Contract shall be found to be illegal, unlawful, unconstitutional or void for any reason, the balance of the Contract shall remain in full force and effect and the parties shall be deemed to have contracted as if said clause, section, paragraph or portion had not been in the Contract initially.

The undersigned officers and/or agents of the parties hereto are the properly authorized officials and have the necessary authority to execute this Contract on behalf of the parties hereto, and each party hereby certifies to the other that any necessary resolutions or other act extending such authority have been duly passed and are not in full force and effect.

EXECUTED this the _____ day of _____, 2001.

Town of Addison:

Signature

Printed name and Title

Metrocrest Medical Services, Inc.



Chris Cothes
Medical Control Manager

ATTACHMENT A

The following reports shall be submitted to MMS:

- A. A monthly activity report in written format, (format provided by MMS), with the following information:
 - 1. Number, type of calls and disposition.
 - 2. Number of BLS and ALS incidents.
 - 3. Other information determined necessary by the City or MMS.
 - B. A copy of each Incident Report shall be forwarded to MMS for review. To be included must be all incident reports where there is no patient transported or found to exist. This form must include type, date, time and personnel responding to incident.
 - C. A copy of each person's current ACLS completion card or training roster and EMS certification for every EMS personnel working in the MMS Medical Control System for the city of Addison's Fire Department.
 - D. Monthly Controlled Substance Safe logs, Controlled Substance Use forms, apparatus narcotic accountability logs for each vehicle carrying morphine sulfate, midazolam/or valium, and DEA 222 forms. MMS must receive original, not copy of form.
 - E. A current personnel roster, including the following information:
 - 1. Personnel names
 - 2. TDH certification level and expiration date of certification
 - 3. Station or post assignment
 - 4. Shift assignment
- The City will also provide MMS with a revised Personnel Data Form whenever changes are made to field/dispatch staff.
- F. Information on all EMS personnel, to include:
 - 1. Name
 - 2. Addison Fire Department identification number
 - 3. Date of birth
 - 4. Correct address
 - 5. Correct phone number

ATTACHMENT B

- A. The City agrees that all vehicles used to transport the sick and injured will at all times while being used to provide out of hospital patient care, meet current Texas Department of Health standards including equipment and staffing, as well as the equipment and supplies listed in the MMS protocols carried on that particular vehicle.
- B. The City shall allow and make available at any time, vehicles or equipment for review and inspection by MMS, including non-transport vehicles.
- C. The City shall allow observation of performance, evaluation and participation during runs, or other on-site visits as deemed necessary by MMS staff and/or by the Medical Director.
- D. The City will notify MMS in writing when, and the results of, TDH vehicle inspections.

Attachment C

**Texas State Board of Medical Examiners
Emergency Medical Services
Chapter 197**

(Copy not attached)

Council Agenda Item: #R12

SUMMARY:

Council approval is requested of a resolution supporting the efforts of area cities to determine the reasonableness of transmission and distribution rates charged by TXU Electric Delivery Company.

FINANCIAL IMPACT:

The Steering Committee of TXU customer cities will fund its activities with a 10¢ per capita assessment. For the Town, this amount is only \$1,468.

BACKGROUND:

With the deregulation of electric power in 2002, Texas electric customers were given bifurcated electric rates. One rate is related to the generation of power and various billing costs that are charged by Retail Electric Providers. This rate is deregulated, with the exception of price-to-beat rates charged by incumbent providers (for north Texas, this would be TXU). The other rate is regulated by the Texas Public Utilities Commission and deals with the transmission and distribution (T&D) of electric power from generating power plants to consumers.

On July 16, 2004, the Steering Committee of Cities Served by TXU met in Arlington to discuss TXU's current T&D rates. The Steering Committee unanimously recommended that cities pass a resolution that requires TXU to show cause why its T&D rates should not be reduced. The T&D rates currently charged by TXU were set by the Public Utility Commission ("PUC") in 2001 in anticipation of the start of retail electric competition. While traditional rate regulation in the public interest is based upon a snapshot of historic costs, the PUC based its 2001 approval of TXU's T&D rates upon *projected* costs and expenses for 2002. Enormous changes have occurred since TXU's T&D rates were approved, including significant decreases in the cost of capital, large reductions in TXU's costs and expenses, mass TXU employee layoffs, and a complete change in TXU affiliate transactions. As a result, it is likely that TXU's current T&D rates are excessive. Since T&D rates typically comprise one-half of a total electric bill, curbing excessive T&D rates will reduce the high cost of street lighting and other off-peak load. A rate review of TXU's T&D rates also permits the investigation of unfair and/or irrational costs that are currently reflected in off-peak tariffs, as well as other service standards issues.

It is unusual for cities to instigate a rate review. For the past few years, we have always responded to TXU's rate filings to the PUC for increased rates. However, since TXU is believed to be over-recovering with their existing rates, the cities have to initiate the process. Because it would be burdensome for TXU to respond to each of the 21 cities that have passed resolutions requesting information, TXU will likely submit a consolidated rate filing to the PUC, or at least appeal whatever decisions are made at the city level. The resolution of endorsement is intended to impress upon the PUC the importance of this rate filing and the large number of communities impacted by the rates.

RECOMMENDATION:

It is recommended Council approve the attached ordinance.

RESOLUTION NO. _____

SUPPORTING THE REVIEW COMMENCED BY THE STEERING COMMITTEE OF CITIES SERVED BY TXU TO DETERMINE THE JUST AND REASONABLE RATES TO BE CHARGED BY TXU ELECTRIC DELIVERY COMPANY.

WHEREAS, the Town of Addison is a member of the Steering Committee of Cities Served By TXU; and

WHEREAS, the Steering Committee of Cities Served by TXU has unanimously recommended that cities pass a resolution that requires TXU to show cause why its transmission and distribution rates should not be reduced; and

WHEREAS, the following Steering Committee member Cities: Arlington, Benbrook, Brownwood, Burleson, Carrollton, Corinth, Dallas, Denison, Fort Worth, Harker Heights, Heath, Honey Grove, Pantego, Plano, Richland Hills, Robinson, Rockwall, Snyder, Sulphur Springs, The Colony, and Woodway have already passed resolutions requiring TXU to show cause and file information to justify TXU's current transmission and distribution rates; and

WHEREAS, the public hearings regarding TXU's current transmission and distribution rates are scheduled to take place in January, 2005, and city decisions regarding TXU's rates are expected to be appealed to the Public Utility Commission in February, 2005; and

WHEREAS, any reduction in TXU transmission and distribution rates may be applicable throughout TXU's service area, including the Town of Addison; and

WHEREAS, any reduction in TXU transmission and distribution rates has the potential to increase competitive access for customers served by TXU, including the Town of Addison; and

WHEREAS, the Town of Addison has reason to believe that TXU may be over earning and its rates may be excessive; and

WHEREAS, the Town of Addison desires to support the efforts of the cities that have initiated show cause investigations of TXU's transmission and distribution rates that will benefit all TXU customers.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

SECTION 1. The Town of Addison endorses the investigation of TXU's transmission and distribution rates currently undertaken by certain Steering Committee Cities to determine if TXU's rates are excessive and to set a just and reasonable transmission and distribution rate.

SECTION 2. That it is hereby officially found and determined that the meeting at which this resolution was passed was open to the public as required by law, and that public notice of the time, place, and purpose of said meeting was given all as required by Section 551.041, Texas Government Code.

DULY PASSED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS, on this the 28th day of September 2004.

Mayor R. Scott Wheeler

ATTEST:

APPROVED AS TO FORM:

Carmen Moran, City Secretary

Ken Dippel, City Attorney

Council Agenda Item: #R13

SUMMARY:

Council approval is requested of a resolution that adopts the Town of Addison Investment Strategy for 2005.

FINANCIAL IMPACT:

There is no financial impact associated with the approval of the investment strategy.

BACKGROUND:

The Public Funds Investment Act (PFIA) requires the Council to annually review the Town's investment strategy. The Town's investment advisor, First Southwest Asset Management, has assisted staff with the development of the strategy. The investment strategy has been drafted to comply with all aspects of the PFIA.

For 2005, staff is not recommending any change to our investment strategy. The investment strategy has the following priorities (in order of importance):

- Understanding the suitability of the investment to the financial requirements of the Town
- Preservation and safety of principal
- Liquidity
- Marketability of the investment if the need arises to liquidate the investment prior to maturity
- Diversification of the investment portfolio
- Yield

RECOMMENDATION:

Staff recommends that Council adopt the resolution approving the Town's 2005 investment strategy.

EXHIBIT A

TOWN OF ADDISON

INVESTMENT STRATEGY STATEMENT

For

FY 2004-05

Adopted:
September 28, 2004

PREFACE

It is the policy of the Town of Addison that, giving due regard to the safety and risk of investment, all available funds shall be invested in conformance with State and Federal Regulations, applicable Bond Resolution requirements, and adopted Investment Policy.

In accordance with the Texas Public Funds Investment Act (Chapter 2256, Tex. Gov. Code), the City Council shall adopt Investment Strategy Statements that address the following priorities (in order of importance):

- Understanding the suitability of the investment to the financial requirements of the Town;
- Preservation and safety of principal;
- Liquidity;
- Marketability of the investment if the need arises to liquidate the investment prior to maturity;
- Diversification of the investment portfolio; and
- Yield

Effective investment strategy development coordinates the primary objectives of the Town's Investment Policy and cash management procedures with investment security risk/return analysis to enhance interest earnings and reduce investment risk. Aggressive cash management shall be utilized to increase the available "investment period" for all Town funds. Investment security maturity selections shall be based on cash flow requirements and market conditions to take advantage of interest earnings as viable and material revenue to all Town funds. The Town's portfolios shall be designed and managed in a manner responsive to the public trust and consistent with the Investment Policy.

INVESTMENT STRATEGY

In order to minimize risk of loss due to interest rate fluctuations, investment maturities will not exceed the anticipated cash flow requirements of the funds. Investment guidelines by fund-type are as follows:

Suitability – any investment eligible in the Investment Policy is suitable.

Safety of principal – all investments shall be of high quality securities with no perceived default risk. Market price fluctuations will, however, occur. By managing the weighted average days to maturity for the Operating fund portfolio to less than 270 days and restricting the maximum allowable maturity to five years, the price volatility of the overall portfolio will be minimized.

Liquidity – operating funds require the greatest short-term liquidity of any of the fund types. Short-term investment pools and money market mutual funds should provide daily liquidity and may be utilized as a competitive yield alternative to fixed maturity investments.

Marketability – securities with active and efficient secondary markets are necessary in the event of an unanticipated cash requirement. Historical market “spreads” between the bid and offer prices of a particular security-type of less than a quarter of a percentage point shall define an efficient secondary market.

Diversification – investment maturities should be staggered throughout the budget cycle to provide cash flow based on the anticipated operating needs of the Town. When conditions are favorable, market cycle risk will be reduced by diversifying the appropriate maturity structure out to three years. Adhering to the Investment Policy’s maximum investment-type limits (Section IX. INVESTMENT LIMITS) should restrict the exposure of the fund to any one-market sector.

Yield – attaining a competitive market yield for comparable security-types and portfolio restrictions is the desired objective. The yield of an equally weighted, rolling three-month Treasury bill portfolio should be the minimum yield objective. The Town's Finance Director ("Director") may also compare the operating fund’s performance to other appropriate benchmarks.

The Investment Policy permits the Town to sell securities from time to time that it owns in order to better position its portfolio assets. Sales of securities prior to maturity shall be documented and approved by the Director before such a transaction is consummated. Sales of securities, yielding net proceeds less than ninety-eight (98) percent of the book value of the securities, must be approved in advance and in writing by both the City Manager and the Director.

TOWN OF ADDISON, TEXAS

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS APPROVING THE CITY'S INVESTMENT STRATEGY STATEMENT AS SET FORTH HEREIN; PROVIDING THAT THE INVESTMENT STRATEGY STATEMENT AS APPROVED SHALL BE IN FORCE AND EFFECT; PROVIDING AN EFFECTIVE DATE.

WHEREAS, in accordance with State law the City Council of the Town of Addison, Texas (the "City"), by the adoption of Resolution No. R04_____, adopted an investment strategy for each of the funds or group of funds under its control; and

WHEREAS, the investment strategy so adopted was set forth in a document entitled "Investment Strategy Statement"; and

WHEREAS, the City Council has reviewed the said Investment Strategy Statement and desires to approve the same as set forth herein;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

Section 1. The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

Section 2. The Investment Strategy Statement as adopted by Resolution No. R04-_____ of the City is hereby shown and set forth in Exhibit A attached hereto and incorporated herein. The Investment Strategy Statement is hereby ratified and confirmed and shall remain in full force and effect.

Section 3. This Resolution shall take effect from and after its date of adoption.

PASSED AND APPROVED by the City Council of the Town of Addison, Texas this the _____ day of September 2004.

R. Scott Wheeler, Mayor

ATTEST:

By:_____
Carmen Moran, City Secretary

APPROVED AS TO FORM:

By:_____
Ken Dippel, City Attorney

OFFICE OF THE CITY SECRETARY

RESOLUTION NO. _____

Council Agenda Item: #R14

SUMMARY:

Council approval is requested of an ordinance that approves the Town's FY 2004-05 investment policy.

FINANCIAL IMPACT:

There is no financial impact associated with the approval of the investment policy.

BACKGROUND:

The Public Funds Investment Act (PFIA) requires the Council to annually review the Town's investment policy. The Town's investment advisor, First Southwest Asset Management (FSAM), has assisted staff with the development of the investment policy. For FY 2004-05, staff is recommending that the following changes be made to the policy.

- Student Loan Marketing Association (SLMA) securities have been removed from the list of authorized investments since these securities are now considered to be associated with a private entity. Previously, SLMA investments were considered to be a U.S. agency security.
- The Town's collateral requirements have been reorganized into a new section (Section X) in the investment policy. When preparing for the transition to our new depository contract, staff discovered that there was not a clear and concise presentation of our collateral policy. For this reason, a new section was created to clarify the Town's collateral requirements. In addition, staff is also recommending that Government National Mortgage Association (GNMA) securities be authorized as an eligible form of collateral.
- First Southwest Asset Management (FSAM) is responsible for performing due diligence on and maintaining a list of broker/dealers with which it shall transact business on behalf of the Town. If we chose to terminate our agreement with FSAM, however, staff would be required to use the broker/dealer selection criteria identified in the investment policy. The primary dealers identified in the policy are no longer available to Addison. As such, we are recommending that the broker/dealer selection criteria be refined to allow the Town to use regional dealers that have been in business for at least five years and maintain a minimum of \$10,000,000 in capital.

These changes are identified in the attached investment policy document. Since the Town's investment policy is codified, an ordinance is required to make the above changes.

RECOMMENDATION:

Staff recommends approval of the ordinance that approves the Town's FY 2003-04 investment policy.

TOWN OF ADDISON

INVESTMENT POLICY

For

FY 2004-05

Revised and Adopted:
September 28, 2004

TOWN OF ADDISON, TEXAS INVESTMENT POLICY

I.

SCOPE

The Public Funds Investment Act, Chapter 2256, Texas Government Code, prescribes that each Town is to adopt rules governing its investment practices and to define the authority of the investment officer. The following Investment Policy addresses the methods, procedures, and practices which must be exercised to ensure effective and judicious fiscal management of the Town's funds. This Policy shall not apply to the selection, retention or other issues concerning the depositories of the Town's funds in demand and time deposits as provided under Chapter 105 of the Local Government Code.

This Policy shall apply to the investment and management of all funds of the Town under its control, other than those expressly excluded herein or by applicable law or valid agreement. This Policy shall not supersede the restrictions on investment and use applicable to any specific fund and, in the event of any conflict between this Policy and the requirements of any fund subject hereto, the specific requirement applicable to such fund shall be followed as well as all other provisions of this Policy other than those in conflict. The Employees Deferred Compensation Agency Fund is excluded from coverage under this Policy.

This Policy also requires the formal adoption of an "Investment Strategy Statement" that specifically addresses each of the Town's fund groups. Each Investment Strategy Statement will describe its objectives concerning:

- a) suitability of investment type,
- b) preservation and safety of principal,
- c) liquidity,
- d) marketability of each investment,
- e) diversification of the portfolio, and
- f) yield.

In order to make effective use of the Town's resources, all monies shall be pooled into one investment bank account, except for those monies required to be accounted for in other bank accounts as stipulated by applicable laws, bond covenants or contracts. The income derived from this pooled investment account shall be distributed in accordance with the Town's internal procedures.

II.

OBJECTIVES

The Town's principal investment objectives in order of priority are:

1. Conformance with all Federal regulations, State of Texas statutes and other legal requirements including the Town Charter and Town Ordinances, including this Policy.
2. Preservation of capital and the protection of investment principal.
3. Maintenance of sufficient liquidity to meet anticipated disbursement and cash flows.
4. Diversification to avoid incurring unreasonable risks regarding securities owned.
5. Attainment of a market rate of return equal to or higher than the performance measure established from time to time by the Finance Director of the Town which is commensurate with the acceptable risk and liquidity objectives of this Policy.

III.

DELEGATION OF AUTHORITY

The City Council appoints the Finance Director, Assistant Finance Director and the Accounting Manager as the “Investment Officers” of the Town. Direct management responsibility for the investment program is delegated by the City Council to the Finance Director (hereinafter referred to as the “Director”). The Investment Officers’ authority will at all times be limited by all applicable laws and regulations in effect from time to time and this Policy. The Investment Officers shall exercise the judgment and care, under prevailing circumstances, that a prudent person would exercise in the management of the person’s own affairs. Unless authorized by law, a person may not deposit, withdraw, transfer, or manage in any other manner the funds of the investing entity.

With written approval from the City Manager, the Director may delegate any phase of the investment management program to any of the Investment Officers. Such approval shall state specifically the functions such person is authorized to perform or that the person is authorized to perform all activities of the Director under this Policy. The Director shall obtain and maintain, at the Town’s expense, fidelity bonds for himself and each of his designees in amounts determined adequate by the Director (which shall not be less than five percent of the amounts subject to this Policy) for each fiscal year as shown by the approved budget. No person may engage in an investment transaction except as provided under the terms of this Policy and the internal procedures established by the Director. A current list of persons authorized to transact investment business and wire funds on behalf of the Town shall be maintained by the Director.

The Director shall develop and maintain written administrative procedures for the operation of the investment program consistent with this Policy. The controls shall be designed to prevent, identify and control losses of public funds arising from deviation from this Policy, fraud, employee error, misrepresentation by third parties, or imprudent actions by employees and officers of the Town.

In the discretion of the City Council and in any event upon the termination or reassignment of any Investment Officer authorized to conduct transactions for the Town pursuant to this Policy, the authority of such person shall be revoked and such revocation of authority shall be immediately communicated by the Director orally and in writing to each and every depository, broker/dealer, investment advisor, custodian and other agency or entity with whom the Town has any existing or continuing relationship in the management of its investments.

The Director and all Investment Officers shall attend at least one training session relating to the treasurer’s or officer’s responsibilities within twelve (12) months after taking office or assuming duties; and attend a training session not less than once every two years and receive not less than ten (10) hours of training. Such training from an independent source shall be approved or endorsed by either Government Finance Officers Association, Government Finance Officers Association of Texas, Government Treasurers Organization of Texas, Texas Municipal League, or the North Central Texas Council of Governments to include education in investment controls, security risks, strategy risks, market risks, and compliance with the Public Funds Investment Act.

IV.

INVESTMENT ADVISORS

The Town may, in the discretion of the Director, appoint one or more Investment Advisors to assist the Town’s financial staff in the management of the Town’s funds. The Investment Advisor must be registered with the Securities and Exchange Commission under the Investment Advisors Act of 1940 and also be registered with the Texas State Securities Board as an Investment Advisor. To be eligible for consideration, an Investment Advisor shall demonstrate to the Director knowledge of, and experience in, the management of public funds. The Director will satisfy himself as to the Advisor’s qualifications by all appropriate means, including reference checks with the Advisor’s other clients, the State Securities Board and the Securities and Exchange Commission. An appointed Investment Advisor shall act solely in an advisor and administrative capacity, within the guidelines of this Investment Policy and without any discretionary authority to transact business on behalf of the Town.

Each Investment Advisor, appointed by the Town, shall agree that its investment advice shall at all times be given with the judgment and care, under circumstances then prevailing, which persons paid for their special prudence,

discretion and intelligence, in such matters exercise in the management of their client's affairs, not for speculation by the client or production of fee income by the advisor or broker but for investment by the client with emphasis on the probable safety of the capital while considering the probable income to be derived.

Appointment of an Investment Advisor shall otherwise be according to the Town's normal purchasing procedures for selecting professional services. Any approved investment advisor may be terminated with the approval of the City Manager, if in the opinion of the Director, the advisor has not performed adequately. The term of any Investment Advisor contract may not exceed two years. Any renewal or extension of the Investment Advisor contract must be made by the City Council by resolution.

V.

STANDARD OF CARE

As provided for in the Public Funds Investment Act, the standard of care for the Town's investments shall be that such "investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived."

The overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The Director and the Investment Officers shall recognize that the investment activities of the Town are a matter of public record.

The Director and the Investment Officers, acting in accordance with written procedures and exercising the proper standard of care, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that this Policy and the Director's procedures were followed. In determining whether the Director or an Investment Officer has exercised the proper standard of care, all investments over which the individual had responsibility will be considered rather than a single investment.

VI.

AUTHORIZED SECURITIES INVESTMENTS

Subject to any limitations otherwise imposed by applicable law, regulations, bond indentures or other agreements, (including but not limited to Chapter 2256 Texas Government Code, the Public Funds Investment Act), the following securities and deposits are the only ones permitted as investments for the Town's funds:

- a. Direct obligations of the United States government with a maturity not to exceed five (5) years from the date of purchase; U.S. Treasury Bills, U.S. Treasury Notes, U.S. Treasury Bonds, and U.S. Treasury Strips (book entry U.S. Treasury securities whose coupon has been removed).
- b. Debentures or discount notes with a maturity not to exceed five (5) years from the date of purchase issued by, guaranteed by, or for which the credit of any of the following Federal Agencies and Instrumentalities is pledged for payment: Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), ~~Student Loan Marketing Association (SLMA)~~, and Federal Home Loan Mortgage Corporation (FHLMC). Principal-only and interest-only mortgage backed securities and collateralized mortgage obligations and real estate mortgage investment conduits are expressly prohibited.
- c. Bonds or other interest bearing obligations of which the principal and interest are guaranteed by the full faith and credit of the United States government with a stated maturity not to exceed five (5) years from the date of purchase. A security's "average life" does not constitute a stated maturity. Principal-only and interest-only mortgage backed securities and collateralized mortgage obligations and real estate mortgage investment conduits are expressly prohibited.

d. Time Certificates of Deposit with a maturity not to exceed three (3) years from the date of purchase, insured by the Federal Deposit Insurance Corporation (FDIC) or its successor, in state or national banks, or state or federally chartered savings banks, located within the State of Texas which have been approved by the Town in accordance with Section XI of this Investment Policy. ~~Any deposits exceeding FDIC insurance limits shall be fully collateralized by securities listed in items “a” and “b” above, and the collateral shall be held by the Town’s third party custodian bank.~~

e. Prime commercial paper with an original maturity of one hundred eighty (180) days or less which at the time of purchase, is rated at least:

A-1 by Standard & Poors,
P-1 by Moodys or
D-1 by Duff & Phelps.

(1) At the time of purchase, the commercial paper must be rated by at least two (2) of the above stated ratings agencies at the above stated minimum credit rating.

(2) If more than two (2) of the above stated agencies rates an issuer, all the rating agencies must rate the issuer in accordance with the above stated minimum credit criteria.

(3) If the commercial paper issuer has senior debt* outstanding, the senior debt must be rated by each service that publishes a rating of the issue at least:

A-1 by Moodys,
A+ by Standard and Poors and
A+ by Duff & Phelps.

*Senior Debt is defined as the most senior secured or unsecured debt of an issuer with an original maturity exceeding one year.

If the commercial paper issuer is given a “plus (+) rating”, the maximum maturity of two hundred seventy (270) days or less will be allowed.

f. Eligible Bankers Acceptances with original maturities not exceeding one hundred eighty (180) days, issued on domestic banks operating under the banking laws of the United States, whose senior long term debt is rated, at the time of purchase, A-1 or higher by Moodys, A+ by Standard and Poors, or A+ by Duff & Phelps.

g. Repurchase agreements with a defined termination date of ninety (90) days or less on U.S. Treasury and Federal Agency securities listed in items “a” and “c” above, collateralized initially at a minimum market value of one hundred two (102) percent of the dollar value of the transaction, with the accrued interest accumulated on the collateral included in the calculation.

If the market value of the collateral falls below one hundred one (101) percent of the dollar value of the transaction, the collateral will be required to be brought up to the one hundred two (102) percent initial maintenance level. A Repurchase Agreement is defined as a simultaneous agreement to buy, hold for ninety (90) days or less, and then sell back an obligation described in item (g) above, the principal and interest of which are guaranteed by the United States.

Repurchase Agreements shall be entered into only with dealers who: 1) are recognized as primary reporting dealers with the Market Reports Division of the Federal Reserve Board of New York; and 2) have an executed, Town approved Master Repurchase Agreement. Collateral (purchased securities) shall be held by the Town’s custodian bank as safekeeping agent and the market value of the collateral securities shall be marked-to-the market daily based on the bid price for the previous day as reported in the Wall Street Journal.

For the purpose of item “g” of this section, the term “collateral” shall mean “purchased securities” under the terms of the Town approved Master Repurchase Agreement. Collateral bearing no coupon will have a maturity not to exceed five (5) years. All other eligible collateral shall have a maturity limit of ten (10) years.

The term repurchase agreements include reverse repurchase agreements. The term of a reverse repurchase agreement shall not exceed ninety (90) days and any investments acquired with the proceeds from the reverse repurchase agreement shall not exceed the term of that agreement.

h. Money Market Funds meeting each of the following criteria:

- (1) Registered with and regulated by the Securities and Exchange Commission:
- (2) Has provided the Town with a prospectus and other information required by the Securities Exchange Act of 1934 or the Investment Company Act of 1940.
- (3) No commission fee shall be charged on purchases or sales of shares;
- (4) Have an objective of maintaining a constant daily net asset value of \$1.00 per share:
- (5) Limit assets of the fund to those securities listed in paragraphs “a”, “b”, “c” and “g” above; and
- (6) Have a maximum stated maturity of thirteen (13) months and dollar weighted average portfolio maturity of not more than ninety (90) days. A list of Town approved Money Market Funds shall be kept by the Director.

i. State investment pools organized under the Interlocal Cooperation Act that meet the requirements of Chapter 2256 Texas Government Code and have been specifically approved by the Director and authorized by the City Council.

j. Local investment pools organized under the Interlocal Cooperation Act that meet the requirements of Chapter 2256 Texas Government Code and have been specifically approved by the Director and authorized by the City Council.

k. Direct obligations of the State of Texas or its agencies rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent with a maturity not to exceed two (2) years from the date of purchase.

l. Other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States with a maturity not to exceed two (2) years from the date of purchase.

VII.

OTHER INVESTMENT GUIDELINES

The Town seeks active management of its portfolio assets. In the effort of meeting the objectives of this Policy, the Town may from time to time sell securities that it owns in order to better position its portfolio assets. Sales of securities prior to maturity, shall be documented and approved by the Director before such a transaction is consummated. Sales of securities, yielding net proceeds less than ninety-eight (98) percent of the book value of the securities, must be approved in advance and in writing by both the City Manager and the Director.

Each investment transaction must be based upon competitive quotations received from at least three (3) broker/dealers who have been approved by the Town in accordance with Texas law.

The purchase and sale of all securities shall be on a delivery versus payment or payment versus delivery basis (i.e. for securities purchases, monies will not be released by the Town’s safekeeping bank until securities are received at the Federal Reserve Bank for further credit to the Town’s safekeeping bank. In the case of securities sales, monies will

be received by the Town's safekeeping bank via the Federal Reserve Bank, as the securities are simultaneously released to the purchaser). In this manner, the Town will always have possession of either its securities or its monies.

An investment that requires a minimum credit rating does not qualify as an AUTHORIZED SECURITIES INVESTMENT during the period the investment does not have the minimum credit rating even if the investment had the appropriate rating at the time of purchase. The Investment Officers shall take all prudent measures that are consistent with this Policy to liquidate an investment that does not have the minimum rating.

VIII.

PORTFOLIO MATURITIES

Maturities shall be selected which provide for both stability of income and reasonable liquidity.

At all times, the Town shall maintain ten (10) percent of its total investment portfolio in instruments maturing in ninety (90) days or less. The weighted average maturity of all securities and certificates of deposit in the Town's total investment portfolio at any given time (not including cash or demand deposits) shall not exceed one and one-half (1 ½) years.

In the case of callable securities, the first "call" date may be used as the "maturity" date for investment purposes in this section if in the opinion of the Director there is little doubt that the security will be called prior to maturity. At all times the stated final maturity shall be used in portfolio average life calculations and reported as outlined in this Policy.

Investment of bond proceeds shall be invested in the investment types listed in Section VI. "a", "b", "c", "h", "i", and "j" for a period of time not to exceed five (5) years. Additionally, bond proceeds may be invested in a repurchase agreement that exceeds ninety (90) days if reductions are allowed from the agreement without penalty for legitimate bond proceed expenditures and the final maturity is within the "temporary period" as defined by the Internal Revenue Service (this arrangement is commonly referred to as a "flexible repurchase agreement").

IX.

INVESTMENT LIMITS

It is the policy of the Town to avoid concentration of assets in a specific maturity, a specific issue, or a specific class of securities, with the exception of U.S. Treasury issues listed in Section VI "a." The asset allocation in the portfolio should, however, be flexible depending upon the outlook for the economy and the securities markets.

The Town will not exceed the following maximum limits as a percentage of the total portfolio for each of the categories listed below:

- 20 percent in Money Market Funds as outlined in Section VI "h"
- 30 percent in Certificates of Deposit
- 30 percent in Commercial Paper
- 30 percent in Bankers Acceptances
- 40 percent in Local Government Investment Pools as authorized in Section VI "h" and "j"
- 70 percent in State Government Investment Pools as authorized in Section VI "i"
- 70 percent in Instrumentality securities described in Section VI "b"

In addition to the limitations set forth above the Town's investment in any single money market fund shall never exceed ten (10) percent of the total assets of the money market fund.

The Director shall evaluate how each security purchased fits into the Town's overall investment strategy.

The amount of investments in U.S. Treasury and Agency Securities and Repurchase Agreements backed by those securities as defined in section VI(a), VI(c) and VI(g), shall at no time be less than thirty (30) percent of the total portfolio. There shall be no maximum limits on these investments.

Bond proceeds shall be exempt from the maximum limitation stated above for State Government Pools, but only for the period of time required to develop a comprehensive draw-down schedule for the project for which the proceeds are intended, the maximum being sixty (60) days, at which time the funds representing bond proceeds must be prudently diversified.

X.

SELECTION OF BROKER/DEALERS

The Town shall maintain a list of ~~broker/dealers and financial institutions which have been approved as counterparties for investment purposes. Securities may only be purchased from those authorized institutions and firms. To be eligible, a broker/dealer must meet at least one (1) of the following criteria: 1) be recognized as a Primary Dealer as defined by the New York Federal Reserve Market Reports Division; or 2) report voluntarily to the Market Reports Division of the Federal Reserve Bank of New York, approved security broker/dealers maintaining minimum capital of \$10,000,000 and being in business for at least five years. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule). Securities may only be purchased from those authorized institutions and firms identified in the above list.~~

Broker/dealers and other financial institutions will be selected by the Director on the basis of their financial stability, expertise in cash management and their ability to service the Town's account. Each broker/dealer, bank, or savings bank that has been authorized by the Town, shall be required to submit to the Town and annually update a Broker/Dealer Information Request form which includes the firm's most recent financial statements. The Director shall maintain a file which includes the most recent Broker/Dealer Information Request forms submitted by each firm approved for investment purposes. A copy of the submitted Broker/Dealer Information Request forms as well as a list of those broker/dealers approved by the Town shall be maintained by the Director.

The Director shall review the quality of service and financial stability of each broker/dealer and financial institution approved under this Section at least annually. Any approved broker/dealer or financial institution may be removed from the list of approved broker/dealers with the approval of the Director, if in the opinion of the Director, the firm has not performed adequately or its financial condition is considered inadequate. The City Council shall, at least annually, review, revise, and adopt the list of qualified broker/dealers and financial institutions which are authorized to engage in investment transactions with the Town.

All business organizations eligible to transact investment business with the Town shall be presented a written copy of this Policy. The qualified representative of the business organization seeking to transact investment business with the Town shall execute a written instrument substantially to the effect that the qualified representative has:

- 1) received and thoroughly reviewed this Policy, and
- 2) acknowledged that the business organization has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities with the Town.

The Town shall not enter into an investment transaction with a business organization prior to receiving the written instrument described above. In addition, each Investment Advisor appointed by the Town shall execute the written instrument described above.

If the Council has contracted with a Registered Investment Advisor for the management of its funds, the advisor shall be responsible for performing due diligence on and maintaining a list of broker/dealers with which it shall transact business on behalf of the Town. The advisor shall determine selection criteria. The advisor shall annually present a list of its authorized broker/dealers to the Town for review and likewise shall execute the aforementioned written instrument stating that the advisor has reviewed the Town's investment policy and has implemented reasonable procedures and controls in an effort to preclude imprudent investment activities with the Town. The advisor shall obtain and document competitive bids and offers on all transactions and present these to the Town as part of its standard trade documentation.

XI.

SELECTION OF DEPOSITORIES

The Town shall maintain a list of authorized banks and savings banks which are approved to provide Certificates of Deposit to the Town. To be eligible for authorization, a bank or savings bank must be a member of the FDIC and meet the minimum credit criteria (described below) of a credit analysis provided by a commercially available bank rating service such as Prudent Man Analysis, Inc., or Sheshunoff Public Finance Bank Rating Service. Banks or savings banks failing to meet the minimum criteria or, in the judgment of the Director, no longer offering adequate safety for the Town will be removed from the list.

Bank rating guidelines will be calculated using publicly available information obtained from the Federal Reserve, the Comptroller of the Currency, or the banking institution itself. Data obtained from bank rating services will include factors covering the following: overall rating, liquidity policy, credit risk policy, interest rate policy, profitability and capital policy. Financial institutions selected to issue certificates of deposit to the Town in excess of One Hundred Thousand Dollars (\$100,000.00) or that are selected as Safekeeping or Custodial agents for the Town shall meet the following criteria: 1) have a Sheshunoff Public Finance Peer Group Rating of thirty (30) or better on a scale of zero (0) to one hundred (100) with one hundred (100) being the highest rating at the time of selection; or 2) have a Prudent Man Express Analysis overall rating of three or better on a scale of one (1) to five (5) with one (1) being the highest quality for the most recent reporting quarter before the time of selection; and 3) qualify as a depository of public funds in the State of Texas.

The Director shall maintain a file of the credit rating analysis reports performed for each approved firm. Institutions that meet the above criteria and who wish to provide Certificates of Deposit to the Town are required to provide to the Director a copy of the institution's quarterly Consolidated Report of Conditions and Income (CALL Report). This report will be submitted to the Director within sixty (60) days following the end of each calendar quarter.

In addition to the foregoing requirements, with respect to bond proceeds and reserves or other funds maintained for debt service purposes, a depository of such funds must be selected by competitive bidding by three (3) banks located within the boundaries of the Town or if there are not three banks available within the Town's boundaries that are willing and able to accept such deposits, then at least three (3) bids must be obtained from banks situated in Dallas County that are willing and able to accept such deposits.

~~Consistent with the requirements of State law, the Town requires all bank and savings bank deposits to be federally insured or collateralized with eligible securities. Financial institutions serving as Town depositories will be required to sign a Depository Agreement with the Town and the Town's custodian. The safekeeping portion of the Depository Agreement shall define the Town's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:~~

- ~~a. the Agreement must be in writing;~~
- ~~b. the Agreement has to be executed by the Depository and the Town contemporaneously with the acquisition of the asset;~~
- ~~c. the Agreement must be approved by the Board of Directors or the loan committee of the Depository and a copy of the meeting minutes must be delivered to the Town;~~
- ~~d. the Agreement must be part of the Depository's "official record" continuously since its execution.~~

XII.

SAFEKEEPING AND CUSTODY

Investment securities purchased for the Town will be delivered by either book entry or physical delivery and shall be held in third-party safekeeping by a Federal Reserve Member financial institution designated as the Town's safekeeping and custodian bank. The Town may designate more than one (1) custodian bank. In no event will the Town's custodial or safekeeping institution also be a counterparty (broker or dealer) to the purchase or sale of those securities. The Town shall execute a written Safekeeping Agreement with each bank prior to utilizing the custodian's safekeeping services. Only a state or national bank located within the State of Texas, may be utilized as a custodian of securities pledged to secure certificates of deposit. The safekeeping agreement must provide that the safekeeping bank will immediately record the receipt of purchased or pledged securities in its books and promptly issue and deliver a signed safekeeping receipt showing the receipt and the identification of the security, as well as the Town's perfected interest.

The Director shall maintain a list of designated custodian banks and a copy of the Safekeeping Agreement executed with each custodian bank.

The Town must approve release of securities, in writing, prior to their removal from the custodial account. A telephonic facsimile of a written authorization shall be sufficient if the custodian orally confirms receipt of the transmission and an exact copy of the document is retained in the Town's files.

All securities shall be confirmed in the name of the Town and delivered to an approved custodial bank or carried at a Federal Reserve Bank in the name of the Town. The Custodian shall not otherwise deposit purchased or pledged securities. All book entry securities, owned by the Town, shall be evidenced by a safekeeping receipt issued to the Town and signed by the appropriate officer at the custodian bank stating that the securities are held in the Federal Reserve system in a CUSTOMER ACCOUNT naming the Town as the "customer". In addition, the custodian bank will, when requested, furnish a copy of the delivery advice received by the custodian bank from the Federal Reserve Bank.

All certificated securities (those transferred by physical delivery) shall: 1) be held by an approved custodian bank or any correspondent bank in New York City approved by the Director; and 2) the correspondent bank or the Town's safekeeping bank shall issue a safekeeping receipt to the Town evidencing that the securities are held by the correspondent bank for the Town.

The original safekeeping receipt for each transaction including purchased securities under a repurchase agreement and collateral securing deposits will be forwarded to the Director or his designee and held in a secured file by the Town.

XIII.

RECORDKEEPING AND REPORTING

A record shall be maintained of all bids and offerings for securities transactions in order to ensure that the Town receives competitive pricing. All transactions shall be documented by the person authorizing the transaction in a form that shows that person's name, the party instructed to execute the transaction, the date, a description of the transaction and a brief statement of the reason(s) for the transaction.

Each depository institution of the Town's funds and purchased securities shall maintain separate, accurate and complete records relating to all deposits of the Town's funds, the securities pledged to secure such deposits and all transactions relating to the pledged securities. Each approved custodian shall maintain separate, accurate and complete records relating to all securities received on behalf of the Town, whether pledged, purchased or subject to repurchase agreement, as well as all transactions related to such securities. In addition, each depository shall file all reports required by the Texas State Depository Board. Each depository and custodian shall agree to make all the records described in this paragraph available to the Director's designee and the Town's auditors at any reasonable time.

At least once each quarter, the Director shall verify that all securities owned by the Town or pledged to the Town are held in safekeeping in the Town's custodial bank with proper documentation. At least annually the Town's investment program, including the records of custodians and depositories, shall be audited by independent certified public accountants selected by the City Council. This annual audit shall include a compliance audit of the management controls on investments and adherence to the Town's Investment Policy and strategies.

All broker/dealers, custodians, depositories, and investment advisors shall maintain complete records of all transactions that they conducted on behalf of the Town and shall make those records available for inspection by the Director or other representatives designated by the City Council or City Manager.

All sales of securities for less than the book value of the security shall be approved by the Director and reported to the City Council at the next regular meeting. Sales of securities for less than ninety-eight (98) percent of the book value of the securities must be approved by both the City Manager and the Director.

All contracted Investment Advisors shall report at least monthly on the straight-line book value, the market value of investment holdings, and total investment return and such other information required by the Director. Unrealized profits or losses in the Town's investment portfolio will be disclosed but will not be used in the calculation of income earned for the month. Contracted Investment Advisors shall postmark their monthly reports to the Director no later than fifteen (15) business days following the close of the reporting month.

An investment report shall be prepared by the Director within forty five (45) days of the quarter end that:

- a) describes in detail the investment position of the Town,
- b) states the reporting period beginning book and market values, additions or changes to the book and market values during the period and ending book and market values for the period of each pooled fund group,
- c) states the reporting period beginning book and market value and ending book and market value for each investment security by asset type and fund type,
- d) states the maturity date of each investment security,
- e) states the fund for which each investment security was purchased,
- f) states fully accrued interest for the reporting period,
- g) states the compliance of the investment portfolio with the Town's Investment Policy, Investment Strategy Statement and the Public Funds Investment Act,
- h) summarizes quarterly transactions, including a detailed list of the gains and losses recognized, and
- i) explains the total investment return during the previous quarter and compares the portfolio's performance to other benchmarks of performance.

This report will be presented to the City Council and signed by all of the Town's Investment Officers. .

Market valuations of investments shall be provided by the Investment Advisor on a monthly basis. The Investment Advisor shall use independent market pricing sources including, but not limited to, Interactive Data Corporation (IDC) and Bloomberg, to monitor the market price of investments acquired with the Town's funds.

Within forty five (45) days after the end of the Town's fiscal year the Director shall prepare, sign and deliver to the City Manager and the City Council an annual report on the Town's investment program and investment activity which has also been signed by each officer and employee of the Town authorized to conduct any of the Town's investment activity. The annual report shall include full year and separate monthly comparisons of investment return. Such annual report shall include an analysis of the compliance with this Policy as well as changes in applicable laws and regulations during the previous year and may include any other items of significance related to the investment program.

If the Town places funds in any investment other than registered investment pools or accounts offered by its depository bank, the above reports shall be formally reviewed at least annually by an independent auditor, and the result of the review shall be reported to the City Council.

XIV.

ETHICS AND CONFLICTS OF INTEREST

Officers and employees of the Town involved in the investment process shall refrain from personal business activity that involves any of the Town's approved custodians, depositories, broker/dealers, or investment advisors and shall refrain from investing in any security issue held by the Town. Employees and officers shall not utilize investment advice concerning specific securities or classes of securities obtained in the transaction of the Town's business for personal investment decisions, shall in all respects subordinate their personal investment transactions to those of the Town particularly with regard to the timing of purchases and sales and shall keep confidential all investment advice obtained on behalf of the Town, and all transactions contemplated and completed by the Town, except when disclosure is required by law.

All Investment Officers of the Town shall file with the Texas Ethics Commission and the City Council a statement disclosing any personal business relationship with business organization seeking to sell investments to the Town or any relationship within the second degree by affinity or consanguinity to an individual seeking to sell investments to the Town.

XV.

COLLATERAL REQUIREMENTS

Any deposits exceeding FDIC insurance limits shall be fully collateralized by securities listed in items "a" and "b" below, and the collateral shall be held by the Town's third party custodian bank.

a. Direct obligations of the United States government; U.S. Treasury Bills, U.S. Treasury Notes, U.S. Treasury Bonds, and U.S. Treasury Strips (book entry U.S. Treasury securities whose coupon has been removed).

b. Debentures or discount notes issued by, guaranteed by, or for which the credit of any of the following Federal Agencies and Instrumentalities is pledged for payment: Government National Mortgage Association (GNMA), Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), and Federal Home Loan Mortgage Corporation (FHLMC). Principal-only and interest-only mortgage backed securities and collateralized mortgage obligations and real estate mortgage investment conduits are expressly prohibited.

Consistent with the requirements of State law, the Town requires all bank and savings bank deposits to be federally insured or collateralized with eligible securities. Financial institutions serving as Town depositories will be required to sign a Security Agreement with the Town and the Town's custodian. The agreement shall define the Town's rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:

a. the Agreement must be in writing;

b. the Agreement has to be executed by the Depository and the Town contemporaneously with the acquisition of the asset;

c. the Agreement must be approved by the Board of Directors or the loan committee of the Depository and a copy of the meeting minutes must be delivered to the Town;

d. the Agreement must be part of the Depository's "official record" continuously since its execution.

XXVI.

POLICY REVISIONS

The Investment Policy and Investment Strategy Statements will be reviewed at least annually by the Director and the City Council and may be amended as conditions warrant by the City Council.

TOWN OF ADDISON, TEXAS

ORDINANCE NO. _____

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS AMENDING CHAPTER 2 (ADMINISTRATION), ARTICLE IV (FINANCE), DIVISION 3 (INVESTMENT POLICY) BY AMENDING SECTION 2-207 (AUTHORIZED SECURITIES INVESTMENTS), SECTION 2-211 (SELECTION OF BROKER/DEALERS), SECTION 2-212 (SELECTION OF DEPOSITORIES), AND SECTION 2-216 (POLICY REVISIONS); ADDING SECTION 2-217 (POLICY REVISIONS); PROVIDING A SAVINGS CLAUSE; PROVIDING A SEVERABILITY CLAUSE; PROVIDING AN EFFECTIVE DATE.

WHEREAS, in accordance with State law the City Council of the Town of Addison, Texas (the “City”) has heretofore adopted an investment policy regarding the investment of its funds and funds under its control; and

WHEREAS, the said investment policy is set forth in Division 3, Article IV, Chapter 2 of the City’s Code of Ordinances; and

WHEREAS, the City Council has reviewed the said investment policy and desires to amend the same as set forth herein.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

Section 1. Incorporation of Premises. The above and foregoing premises are true and correct and are incorporated herein and made a part hereof for all purposes.

Section 2. Amendment. Chapter 2 (Administration) of the Code of Ordinances (the “Code”) of the Town of Addison, Texas (the “City”) is hereby amended in the following particulars, and all other chapters, articles, sections, subsections, paragraphs, phrases, and words are not amended but are ratified and confirmed:

A. Division 3 (Investment Policy) of Article IV (Finance) of Chapter 2 of the Code is amended in part as follows:

1. Section 2-207 (Authorized Securities Investments) of the Code is hereby amended by amending subsections (2) and (4) thereof to read as follows:

(2) Debentures or discount notes with a maturity not to exceed five (5) years from the date of purchase issued by, guaranteed by, or for which the credit of any of the following federal agencies and instrumentalities is pledged for payment: Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), ~~Student Loan Marketing Association (SLMA)~~, and Federal Home Loan Mortgage Corporation (FHLMC). Principal-only and interest-only mortgage backed securities and collateralized mortgage obligations and real estate mortgage investment conduits are expressly prohibited.

(4) Time Certificates of Deposit with a maturity not to exceed three (3) years from the date of purchase, insured by the Federal Deposit Insurance Corporation (FDIC) or its successor, in state or national banks, or state or federally chartered savings banks, located within the State of Texas which have been approved by the Town in accordance with Section XI of this Investment Policy. ~~Any deposits exceeding FDIC insurance limits shall be fully collateralized by securities listed in subsection 1 and 2 of this section, and the collateral shall be held by the Town's third party custodian bank.~~

2. Section 2-211 (Selection of Brokers/Dealers) is hereby amended by amending subsection (a) to read as follows:

a) The town shall maintain a list of ~~brokers/dealers and financial institutions which have been approved as counterparties for investment purposes. Securities may only be purchased from those authorized institutions and firms. To be eligible, a broker/dealer must meet at least one of the following criteria: (1) Be recognized as a primary dealer as defined by the New York Federal Reserve Market Reports Division; or (2) Report voluntarily to the Market Reports Division of the Federal Reserve Bank of New York.~~ approved security broker/dealers maintaining minimum capital of \$10,000,000 and being in business for at least five years. These may include "primary" dealers or regional dealers that qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule). Securities may only be purchased from those authorized institutions and firms identified in the above list.

3. Section 2-212 (Selection of Depositories) is hereby amended by deleting subsection (e) as follows:

~~(e) Consistent with the requirements of state law, the town requires all bank and savings bank deposits to be federally insured or collateralized with eligible securities. Financial institutions serving as town depositories will be required to sign a depository agreement with the town and the town's custodian. The safekeeping portion of the depository agreement shall define the town's right to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with federal and state regulations, including:~~

~~(1) The agreement must be in writing.~~

~~(2) The agreement has to be executed by the depository and the town contemporaneously with the acquisition of the asset.~~

~~(3) The agreement must be approved by the board of directors or the loan committee of the depository and a copy of the meeting minutes must be delivered to the town.~~

~~(4) The agreement must be part of the depository's "official record" continuously since its execution.~~

4. Section 2-216 (Policy Revisions) is hereby amended as follows:

Sec. 2-216. ~~Policy revisions.~~ Collateral Requirements

~~The investment policy and investment strategy statements will be reviewed at least annually by the director and the city council and may be amended as conditions warrant by the city council.~~

Any deposits exceeding FDIC insurance limits shall be fully collateralized by securities listed in items “a” and “b” below, and the collateral shall be held by the Town’s third party custodian bank.

a. Direct obligations of the United States government; U.S. Treasury Bills, U.S. Treasury Notes, U.S. Treasury Bonds, and U.S. Treasury Strips (book entry U.S. Treasury securities whose coupon has been removed).

b. Debentures or discount notes issued by, guaranteed by, or for which the credit of any of the following Federal Agencies and Instrumentalities is pledged for payment: Government National Mortgage Association (GNMA), Federal National Mortgage Association (FNMA), Federal Home Loan Bank (FHLB), Federal Farm Credit Bank (FFCB), and Federal Home Loan Mortgage Corporation (FHLMC). Principal-only and interest-only mortgage backed securities and collateralized mortgage obligations and real estate mortgage investment conduits are expressly prohibited.

Consistent with the requirements of State law, the Town requires all bank and savings bank deposits to be federally insured or collateralized with eligible securities. Financial institutions serving as Town depositories will be required to sign a Security Agreement with the Town and the Town’s custodian. The agreement shall define the Town’s rights to the collateral in case of default, bankruptcy, or closing and shall establish a perfected security interest in compliance with Federal and State regulations, including:

a. The Agreement must be in writing;

b. The Agreement has to be executed by the Depository and the Town contemporaneously with the acquisition of the asset;

c. The Agreement must be approved by the Board of Directors or the loan committee of the Depository and a copy of the meeting minutes must be delivered to the Town;

d. the Agreement must be part of the Depository's “official record” continuously since its execution.

5. Section 2-217 (Policy Revisions) is hereby added as follows:

Sec. 2-216. Policy revisions.

The investment policy and investment strategy statements will be reviewed at least annually by the director and the city council and may be amended as conditions warrant by the city council.

Section 3. Savings. This Ordinance shall be cumulative of all other ordinances of the City affecting the City’s investment policy and shall not repeal any of the provisions of those ordinances except in those instances where the provisions of those Ordinances are in direct conflict with the provisions of this Ordinance.

Section 3. Severability. The sections, paragraphs, sentences, phrases, clauses and words of this Ordinance are severable, and if any section, paragraph, sentence, phrase, clause or word in this Ordinance or application thereof to any person or circumstance is held invalid or

unconstitutional by a Court of competent jurisdiction, such holding shall not affect the validity of the remaining portions of this Ordinance, and the City Council hereby declares that it would have passed such remaining portions of this Ordinance despite such invalidity, which remaining portions shall remain in full force and effect.

Section 4. Effective Date. This Ordinance shall become effective from and after its date of passage and publication as provided by law.

PASSED AND APPROVED by the City Council of the Town of Addison, Texas this _____ day of _____, 2004.

R. Scott Wheeler, Mayor

ATTEST:

By: _____
Carmen Moran, City Secretary

APPROVED AS TO FORM:

By: _____
Ken Dippel, City Attorney

Council Agenda Item: #R15

SUMMARY:

Council approval is requested of ordinances adopting the Town of Addison annual budget for the fiscal year 2004-05 and for the property tax rate.

FINANCIAL IMPACT:

The budget appropriates \$66,971,710 using \$48,041,030 in revenues and \$18,930,680 in reduction of combined fund balances.

BACKGROUND:

The budget presented to Council for adoption is almost identical to the city manager's revised budget that had been presented to council at the public hearing conducted on September 14, 2004 with minor modifications having been made in the Airport and Utility funds.

RECOMMENDATION:

It is recommended Council approve the budget and tax rate ordinances for the 2004-05 fiscal year.

TOWN OF ADDISON

COUNCIL ADOPTED FISCAL YEAR 2004 – 2005 ANNUAL BUDGET



**Developed for Final Adoption
September 28, 2004**

TOWN OF ADDISON
COUNCIL ADOPTED BUDGET
FOR THE FISCAL YEAR
ENDING SEPTEMBER 30, 2005

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TOWN OF ADDISON

COUNCIL ADOPTED 2004-05 BUDGET SUMMARY *Including Major Items of Interest and Comparison with 2003-04 Budget*

The following is a summary of the 2004-2005 fiscal year annual budget of the Town of Addison to be adopted by the City Council at the September 28, 2004 Council meeting.

1. **Budget appropriates \$66,971,710, an increase of \$4,337,260 or 6.9%** more than the previous year's budget. The increase is attributed to a greater scope of capital projects during the 2005 fiscal year.
2. **Revenues total \$48,041,030, an increase of \$1,779,940 or 3.8%** compared to the 2003-04 budget. The increase is a result of application of Dallas Area Rapid Transit local assistance funds for extension of Arapaho Road, a higher tax levy for General fund functions, and a modest resurgence in sales tax revenue. Significant changes to selected revenues are shown below:
 - Intergovernmental grants, up \$585,000
 - Property taxes, up \$619,400 or 5.1%
 - Non-property taxes (sales, alcoholic beverage, and hotel occupancy) up \$546,310 or 4.1%
3. **The property tax rate is proposed to increase from 42.28¢ per \$100 appraised value to 47.60¢.** The increased rate is due solely to the reduction in appraised values (see below). *If values had remained constant, the tax rate would have increased to 44.47¢.*
4. **Appraised values for 2004 (used for 2005 levy) total \$2,696,490,400, a decline of 6.7%** from certified 2003 values. With the new tax rate, the property taxes paid by the average homeowner in Addison will increase \$122.61 to \$962.75.
5. **Total staffing (all funds) is at 269.6 FTE** (full-time equivalent), a decline of 0.6 FTE in workforce. The change comes about from deleting a vacant patrol officer position in the Police department and modifying a technician in the Human Resources department from a part-time position to a full-time position.
7. The budget proposes a **merit pay increase for employees averaging 3%** of salaries effective October 1, 2004 and a 5% across-the-board increase effective January 1, 2005.
8. The budget anticipates an average **10% increase in cost of providing life, health, and medical benefits.**

9. The budget envisions over **\$18.4 million being spent on capital projects** that include:

• Addison Road Widening	\$ 2,216,700
• Arapaho Road Extension and Bridge	\$ 12,131,160
• Belt Line Road Resurfacing	\$ 1,250,000
• South Quorum / Inwood Median Park	\$ 495,000
• Parkview at Addison Circle Park	\$ 350,000
• Initial construction of new Airport Fuel Farm	\$ 900,000
• Water and Sewer Line Projects	\$ 603,000

(Note: project amounts reflect anticipated expenditures for the year; total project budgets are greater than the amounts shown)

TOWN OF ADDISON
COMBINED SUMMARY OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCE
ALL FUNDS SUBJECT TO APPROPRIATION
Council Adopted 2004-05 Annual Budget With Comparisons to 2003-04 Budget

	General Fund	Special Revenue Funds		Debt Service Funds		Capital Project Funds			Proprietary Funds			TOTAL	
		Hotel	Combined Other	General	Occupancy Tax Revenue	Streets	Parks	Combined Bonds	Airport	Utility	Combined Replacement	2004-05	2003-04
BEGINNING BALANCES	\$ 7,150,690	\$ 4,818,660	\$ 163,050	\$ 1,520,960	\$ 716,740	\$ 5,610,150	\$ 667,770	\$ 16,704,480	\$ 1,514,990	\$ 3,645,760	\$ 2,908,000	\$ 45,421,250	\$ 40,600,720
REVENUES:													
Ad valorem tax	6,932,300	-	-	5,773,800	-	-	-	-	-	-	-	12,706,100	12,086,700
Non-property taxes	10,541,400	3,400,000	-	-	-	-	-	-	-	-	-	13,941,400	13,395,090
Franchise fees	2,722,800	-	-	-	-	-	-	-	-	-	-	2,722,800	2,567,680
Licenses and permits	398,020	-	-	-	-	-	-	-	-	-	-	398,020	369,800
Intergovernmental	-	-	-	-	-	740,000	-	-	30,000	-	-	770,000	185,000
Service fees	1,140,790	1,053,000	-	-	-	-	-	-	1,035,000	7,771,800	1,151,320	12,151,910	12,240,970
Fines and penalties	737,400	-	35,000	-	-	-	-	-	-	60,000	-	832,400	830,650
Rental income	130,000	425,000	-	-	-	-	-	-	3,070,000	-	-	3,625,000	3,662,200
Interest & other income	136,100	57,400	28,000	75,000	10,000	85,000	5,000	232,000	35,000	113,500	116,400	893,400	923,000
TOTAL REVENUES	22,738,810	4,935,400	63,000	5,848,800	10,000	825,000	5,000	232,000	4,170,000	7,945,300	1,267,720	48,041,030	46,261,090
Transfers from other funds	-	-	-	-	704,610	-	-	-	-	-	-	704,610	750,000
TOTAL AVAILABLE RESOURCES	29,889,500	9,754,060	226,050	7,369,760	1,431,350	6,435,150	672,770	16,936,480	5,684,990	11,591,060	4,175,720	94,166,890	87,611,810
EXPENDITURES:													
General government	5,867,040	-	15,000	-	-	-	-	-	-	-	253,000	6,135,040	5,693,980
Public Safety	12,514,800	-	25,600	-	-	-	-	-	-	-	570,600	13,111,000	14,664,370
Urban development	567,180	-	-	-	-	-	-	-	-	-	-	567,180	538,490
Streets	1,405,930	-	-	-	-	-	-	-	-	-	38,000	1,443,930	1,534,650
Parks & Recreation	3,521,730	-	70,000	-	-	-	-	-	-	-	25,000	3,616,730	3,379,130
Tourism	-	5,018,060	-	-	-	-	-	-	-	-	-	5,018,060	4,712,090
Aviation	-	-	-	-	-	-	-	-	3,079,580	-	-	3,079,580	3,513,090
Utilities	-	-	-	-	-	-	-	-	-	6,047,490	-	6,047,490	5,628,250
Debt service	-	-	-	6,105,050	706,110	-	-	-	419,570	2,295,780	-	9,526,510	8,978,330
Capital projects	-	-	-	-	-	4,816,560	350,000	12,448,630	40,000	771,000	-	18,426,190	13,992,070
TOTAL EXPENDITURES	23,876,680	5,018,060	110,600	6,105,050	706,110	4,816,560	350,000	12,448,630	3,539,150	9,114,270	886,600	66,971,710	62,634,450
Transfers to other funds	-	704,610	-	-	-	-	-	-	-	-	-	704,610	750,000
ENDING FUND BALANCES	\$ 6,012,820	\$ 4,031,390	\$ 115,450	\$ 1,264,710	\$ 725,240	\$ 1,618,590	\$ 322,770	\$ 4,487,850	\$ 2,145,840	\$ 2,476,790	\$ 3,289,120	\$ 26,490,570	\$ 24,227,360

Total Revenues \$ 48,041,030
Decrease in fund balance 18,930,680
Total Appropriable funds \$ 66,971,710

Total Appropriations \$ 66,971,710

TOWN OF ADDISON
PROPERTY TAX DISTRIBUTION
CALCULATIONS
Council Adopted 2004-05 Budget

2004 CERTIFIED TAX ROLL & LEVY:			
Appraised Valuation (100%)			\$ 2,696,490,360
Rate Per \$100			\$ 0.4760
TOTAL TAX LEVY			\$ 12,835,290
Percent of Current Collection			98.76%
Estimated Current Tax Collections			<u>\$ 12,676,100</u>
SUMMARY OF TAX COLLECTIONS:			
Current Tax			\$ 12,676,100
Delinquent Tax			10,000
Penalty and Interest			20,000
TOTAL 2004-05 TAX COLLECTIONS			<u>\$ 12,706,100</u>
PROPOSED DISTRIBUTION:			
	<u>TAX RATE</u>	<u>% OF TOTAL</u>	<u>AMOUNT</u>
General Fund:			
Current Tax			\$ 6,915,930
Delinquent Tax			5,460
Penalty and Interest			10,910
Total General Fund	\$0.2597	54.56%	<u>6,932,300</u>
Debt Service Fund:			
Current Tax			5,760,170
Delinquent Tax			4,540
Penalty and Interest			9,090
Total Debt Service Fund	<u>\$0.2163</u>	<u>45.44%</u>	<u>5,773,800</u>
TOTAL DISTRIBUTION	<u>\$0.4760</u>	<u>100.00%</u>	<u>\$ 12,706,100</u>

TOWN OF ADDISON
BUDGETED DEPARTMENTAL STAFFING SUMMARY
Council Adopted 2004-05 Annual Budget

	2001	2002	2003	2004	2005	Difference 05-04
General fund:						
City manager	8.80	9.50	9.50	10.00	10.00	-
Economic development	-	-	-	-	-	-
Finance	11.00	11.00	11.50	12.00	12.00	-
General Services	7.70	8.40	8.40	9.00	9.00	-
Municipal court	4.10	4.10	4.50	4.70	4.70	-
Human resources	4.00	4.30	4.30	4.30	4.70	0.40
Information technology	5.00	6.00	6.00	6.00	6.00	-
Police	81.60	81.10	84.80	84.80	83.80	(1.00)
Criminal justice programs	4.00	4.00	-	-	-	-
Fire	55.00	55.00	55.00	55.00	55.00	-
Development Services	6.00	6.00	6.00	6.00	6.00	-
Streets	6.40	6.40	6.40	6.00	6.00	-
Parks	20.00	20.00	20.00	20.00	20.00	-
Recreation	12.40	12.40	15.40	17.90	17.90	-
Total General fund	226.00	228.20	231.80	235.70	235.10	(0.60)
Hotel fund	14.20	15.00	13.00	14.50	14.50	-
Airport fund	2.40	3.20	3.20	2.00	2.00	-
Public Safety fund	-	-	0.20	-	-	-
Street capital project fund	2.10	2.10	2.10	-	-	-
2002 capital project fund	-	-	0.50	-	-	-
Utilities	13.40	13.40	15.40	18.00	18.00	-
TOTAL ALL FUNDS	258.10	261.90	266.20	270.20	269.60	(0.60)

All positions are shown as full-time equivalent (FTE).

TOWN OF ADDISON
GENERAL FUND
SCHEDULE OF REVENUES BY SOURCE
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
Ad valorem taxes:				
Current taxes	\$ 5,711,397	\$ 6,276,440	\$ 6,200,000	\$ 6,915,930
Delinquent taxes	17,310	5,210	(30,000)	5,460
Penalty & interest	27,346	10,410	25,000	10,910
Non-property taxes:				
Sales tax	8,971,759	9,270,000	9,379,900	9,755,100
Alcoholic beverage tax	724,520	732,090	843,400	786,300
Franchise / right-of-way use fees:				
Electric franchise	1,462,463	1,503,800	1,558,800	1,605,600
Gas franchise	132,410	139,030	236,970	213,200
Telecommunication access fees	753,501	821,940	769,600	792,700
Cable franchise	95,771	96,910	101,300	104,300
Street rental fees	6,000	6,000	6,000	7,000
Licenses and permits:				
Business licenses and permits	145,459	142,390	141,960	143,550
Building and construction permits	241,365	227,410	251,800	254,470
Service fees:				
General government	707	710	710	710
Public safety	746,411	755,710	698,500	719,000
Urban development	4,188	2,150	2,780	2,050
Streets and sanitation	193,434	184,890	178,010	177,980
Recreation	68,133	64,890	68,810	68,810
Interfund	145,596	153,550	153,550	172,240
Court fines	686,311	720,650	715,790	737,400
Interest earnings	108,448	144,500	109,000	113,600
Rental income	141,902	130,000	130,000	130,000
Other	116,339	17,500	21,630	22,500
TOTAL REVENUES	\$ 20,500,770	\$ 21,406,180	\$ 21,563,510	\$ 22,738,810

TOWN OF ADDISON
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
BEGINNING BALANCE	\$ 8,575,659	\$ 7,661,910	\$ 8,014,640	\$ 7,150,690
REVENUES:				
Ad valorem taxes	5,756,053	6,292,060	6,195,000	6,932,300
Non-property taxes	9,696,279	10,002,090	10,223,300	10,541,400
Franchise fees	2,450,145	2,567,680	2,672,670	2,722,800
Licenses and permits	386,824	369,800	393,760	398,020
Service fees	1,158,469	1,161,900	1,102,360	1,140,790
Fines and penalties	686,311	720,650	715,790	737,400
Interest earnings	108,448	144,500	109,000	113,600
Rental income	141,902	130,000	130,000	130,000
Other	116,339	17,500	21,630	22,500
TOTAL REVENUES	20,500,770	21,406,180	21,563,510	22,738,810
TOTAL RESOURCES AVAILABLE	29,076,429	29,068,090	29,578,150	29,889,500
EXPENDITURES:				
General Government:				
City manager	1,005,731	1,142,230	1,141,140	1,211,560
Finance	907,176	939,390	952,800	1,013,730
General Services	558,060	732,550	675,790	647,680
Municipal court	358,862	391,480	387,500	412,680
Human resources	296,331	305,860	305,480	392,040
Information technology	894,823	966,560	926,350	1,045,350
Combined services	654,533	791,000	809,610	770,500
Council projects	241,351	236,840	222,680	373,500
Public safety:				
Police	6,215,985	6,928,390	6,705,810	7,304,400
Fire	4,824,394	5,055,800	4,979,260	5,210,400
Development services	485,810	538,490	528,330	567,180
Streets	1,504,349	1,519,650	1,494,720	1,405,930
Parks and Recreation:				
Parks	1,801,320	2,205,040	2,186,150	2,229,020
Recreation	1,313,062	1,079,890	1,111,840	1,292,710
TOTAL EXPENDITURES	21,061,787	22,833,170	22,427,460	23,876,680
ENDING FUND BALANCE	\$ 8,014,642	\$ 6,234,920	\$ 7,150,690	\$ 6,012,820

TOWN OF ADDISON
HOTEL SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
BEGINNING BALANCE	\$ 6,358,382	\$ 5,150,870	\$ 5,328,080	\$ 4,818,660
REVENUES:				
Hotel/Motel occupancy taxes	3,346,197	3,393,000	3,375,000	3,400,000
Proceeds from special events	860,123	896,000	1,033,800	1,053,000
Conference centre rental	349,230	371,000	311,100	350,000
Theatre centre rental	53,469	74,200	76,250	75,000
Interest earnings and other	72,676	104,900	67,400	57,400
TOTAL REVENUES	4,681,695	4,839,100	4,863,550	4,935,400
TOTAL AVAILABLE RESOURCES	11,040,077	9,989,970	10,191,630	9,754,060
EXPENDITURES:				
Visitor services administration	823,874	752,110	729,480	769,700
Marketing	1,037,116	945,480	844,140	891,470
Special events	1,870,577	1,670,690	1,828,260	2,000,850
Conference centre	721,460	839,410	723,190	850,260
Performing arts	518,969	504,400	497,900	505,780
Capital projects	-	-	-	-
TOTAL EXPENDITURES	4,971,996	4,712,090	4,622,970	5,018,060
OTHER FINANCING SOURCES (USES):				
Transfer to debt service fund	(740,000)	(750,000)	(750,000)	(704,610)
Expanded levels of service	-	-	-	-
TOTAL OTHER FINANCING (USES)	(740,000)	(750,000)	(750,000)	(704,610)
ENDING FUND BALANCE	\$ 5,328,081	\$ 4,527,880	\$ 4,818,660	\$ 4,031,390

TOWN OF ADDISON
PUBLIC SAFETY SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
BEGINNING BALANCE	\$ 42,071	\$ 38,170	\$ 37,480	\$ 28,880
REVENUES:				
Court awards	3,453	5,000	6,100	5,000
Interest earnings and other	1,617	1,000	800	1,000
TOTAL REVENUES	5,070	6,000	6,900	6,000
TOTAL AVAILABLE RESOURCES	47,141	44,170	44,380	34,880
EXPENDITURES:				
Supplies	7,034	5,000	5,000	20,600
Contractual services	2,624	7,500	10,500	5,000
TOTAL EXPENDITURES	9,658	12,500	15,500	25,600
ENDING BALANCE	\$ 37,483	\$ 31,670	\$ 28,880	\$ 9,280

TOWN OF ADDISON
MUNICIPAL COURT SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
BEGINNING BALANCE	\$ -	\$ 46,570	\$ 108,240	\$ 65,840
REVENUES:				
Court security fees	68,848	25,000	15,000	15,000
Court technology fees	70,182	20,000	20,000	20,000
Interest earnings and other	(80)	1,000	3,600	4,000
TOTAL REVENUES	138,950	46,000	38,600	39,000
TOTAL AVAILABLE RESOURCES	138,950	92,570	146,840	104,840
EXPENDITURES:				
Personal services	12,282	19,570	15,000	15,000
Maintenance	18,425	-	-	-
Capital outlay	-	-	66,000	-
TOTAL EXPENDITURES	30,707	19,570	81,000	15,000
ENDING BALANCE	\$ 108,243	\$ 73,000	\$ 65,840	\$ 89,840

TOWN OF ADDISON
ARBOR SPECIAL REVENUE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
BEGINNING BALANCE	\$ 38,796	\$ 33,500	\$ 58,430	\$ 68,330
REVENUES:				
Recycling proceeds	12,864	9,000	12,000	12,000
Contributions	7,774	5,000	5,000	5,000
Interest earnings and other	714	600	900	1,000
TOTAL REVENUES	<u>21,352</u>	<u>14,600</u>	<u>17,900</u>	<u>18,000</u>
TOTAL AVAILABLE RESOURCES	<u>60,148</u>	<u>48,100</u>	<u>76,330</u>	<u>86,330</u>
EXPENDITURES:				
Maintenance and materials	-	36,200	8,000	70,000
Contractual services	<u>1,723</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,723</u>	<u>36,200</u>	<u>8,000</u>	<u>70,000</u>
ENDING BALANCE	<u>\$ 58,425</u>	<u>\$ 11,900</u>	<u>\$ 68,330</u>	<u>\$ 16,330</u>

GENERAL OBLIGATION DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
BEGINNING BALANCE	\$ 1,881,494	\$ 2,156,040	\$ 2,113,420	\$ 1,520,960
REVENUES:				
Ad valorem taxes	6,420,465	5,794,640	5,695,000	5,773,800
Interest earnings and other	85,790	75,000	65,000	75,000
TOTAL REVENUES	6,506,255	5,869,640	5,760,000	5,848,800
TOTAL AVAILABLE RESOURCES	8,387,749	8,025,680	7,873,420	7,369,760
EXPENDITURES:				
Debt Service - Principal	2,160,522	3,305,080	3,305,080	2,728,540
Debt Service - Interest	4,102,800	3,036,380	3,036,380	3,365,510
Fiscal fees	11,003	7,500	11,000	11,000
TOTAL EXPENDITURES	6,274,325	6,348,960	6,352,460	6,105,050
ENDING BALANCE	\$ 2,113,424	\$ 1,676,720	\$ 1,520,960	\$ 1,264,710

TOWN OF ADDISON
OCCUPANCY TAX DEBT SERVICE FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
BEGINNING BALANCE	\$ 245,443	\$ 616,530	\$ 617,970	\$ 716,740
REVENUES:				
Interest earnings	4,463	10,000	12,000	10,000
TOTAL REVENUES	4,463	10,000	12,000	10,000
TOTAL AVAILABLE RESOURCES	249,906	626,530	629,970	726,740
EXPENDITURES:				
Debt Service - Principal	350,000	340,000	340,000	450,000
Debt Service - Interest	21,105	322,230	322,230	254,610
Fiscal fees	827	1,500	1,000	1,500
TOTAL EXPENDITURES	371,932	663,730	663,230	706,110
OTHER FINANCING SOURCES (USES):				
Transfer from Hotel fund	740,000	750,000	750,000	704,610
TOTAL OTHER FINANCING (USES)	740,000	750,000	750,000	704,610
ENDING BALANCE	\$ 617,974	\$ 712,800	\$ 716,740	\$ 725,240

TOWN OF ADDISON
STREET CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
BEGINNING BALANCE	<u>\$ 6,404,913</u>	<u>\$ 4,807,170</u>	<u>\$ 5,143,680</u>	<u>\$ 5,610,150</u>
REVENUES:				
DART Grants	520,882	155,000	2,267,150	740,000
Interest earnings and other	<u>120,412</u>	<u>100,000</u>	<u>100,000</u>	<u>85,000</u>
TOTAL REVENUES	<u>641,294</u>	<u>255,000</u>	<u>2,367,150</u>	<u>825,000</u>
 TOTAL AVAILABLE RESOURCES	 <u>7,046,207</u>	 <u>5,062,170</u>	 <u>7,510,830</u>	 <u>6,435,150</u>
EXPENDITURES:				
Personal services	201,220	100,000	60,000	50,000
Engineering and contractual services	777,224	45,700	70,000	194,550
Construction and equipment	<u>924,087</u>	<u>2,981,600</u>	<u>1,062,910</u>	<u>4,572,010</u>
TOTAL EXPENDITURES	<u>1,902,531</u>	<u>3,127,300</u>	<u>1,192,910</u>	<u>4,816,560</u>
OTHER FINANCING SOURCES (USES):				
Transfer to parks capital project fund	<u>-</u>	<u>-</u>	<u>(707,770)</u>	<u>-</u>
TOTAL OTHER FINANCING (USES)	<u>-</u>	<u>-</u>	<u>(707,770)</u>	<u>-</u>
ENDING BALANCE	<u><u>\$ 5,143,676</u></u>	<u><u>\$ 1,934,870</u></u>	<u><u>\$ 5,610,150</u></u>	<u><u>\$ 1,618,590</u></u>

TOWN OF ADDISON
PARKS CAPITAL PROJECT FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES TO FUND BALANCE
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
BEGINNING BALANCE	\$ -	\$ -	\$ -	\$ 667,770
REVENUES:				
Intergovernmental	-	-	-	-
Bond proceeds	-	-	-	-
Interest earnings and other	-	-	-	5,000
Developer contributions	-	-	-	-
TOTAL REVENUES	-	-	-	5,000
TOTAL AVAILABLE RESOURCES	-	-	-	672,770
EXPENDITURES:				
Administration:				
Personal services	-	-	4,000	-
Engineering, and contractual services	-	-	36,000	-
Construction and equipment	-	-	-	350,000
TOTAL EXPENDITURES	-	-	40,000	350,000
OTHER FINANCING SOURCES (USES):				
Transfer from street capital project fund	-	-	707,770	-
TOTAL OTHER FINANCING (USES)	-	-	707,770	-
ENDING BALANCE	\$ -	\$ -	\$ 667,770	\$ 322,770

TOWN OF ADDISON
2000 CAPITAL PROJECT FUND
STATEMENT OF REVENUES AND EXPENDITURES
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
BEGINNING BALANCE	\$ 1,352,732	\$ 395,940	\$ 343,320	\$ 239,030
REVENUES:				
Interest earnings and other	33,012	6,000	5,500	2,000
TOTAL REVENUES	33,012	6,000	5,500	2,000
TOTAL AVAILABLE RESOURCES	1,385,744	401,940	348,820	241,030
EXPENDITURES:				
Personal services	-	-	15,000	10,000
Engineering and contractual services	289,178	35,120	71,330	231,030
Construction and equipment	2,426,747	85,760	23,460	-
TOTAL EXPENDITURES	2,715,925	120,880	109,790	241,030
OTHER FINANCING SOURCES (USES):				
Transfer from 2002 Capital Project Fund	1,673,496	-	-	-
TOTAL OTHER FINANCING (USES)	1,673,496	-	-	-
ENDING FUND BALANCE	\$ 343,315	\$ 281,060	\$ 239,030	\$ -

TOWN OF ADDISON
2002 CAPITAL PROJECT FUND
STATEMENT OF REVENUES AND EXPENDITURES
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
BEGINNING BALANCE	\$ -	\$ 9,014,590	\$ 9,033,710	\$ 5,379,010
REVENUES:				
Bond proceeds	15,095,000	-	-	-
Interest earnings and other	169,363	150,000	125,000	75,000
TOTAL REVENUES	15,264,363	150,000	125,000	75,000
TOTAL AVAILABLE RESOURCES	15,264,363	9,164,590	9,158,710	5,454,010
EXPENDITURES:				
Personal services	26,670	150,000	90,000	50,000
Engineering and contractual services	676,438	500,000	950,000	300,000
Construction and equipment	3,854,053	6,241,290	2,739,700	2,831,160
TOTAL EXPENDITURES	4,557,161	6,891,290	3,779,700	3,181,160
OTHER FINANCING SOURCES (USES):				
Transfer to 2000 Capital Project Fund	(1,673,496)	-	-	-
TOTAL OTHER FINANCING (USES)	(1,673,496)	-	-	-
ENDING FUND BALANCE	\$ 9,033,706	\$ 2,273,300	\$ 5,379,010	\$ 2,272,850

TOWN OF ADDISON
2003 CONFERENCE CENTRE AND EVENT SITE CAPITAL PROJECT FUND
STATEMENT OF REVENUES AND EXPENDITURES
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
BEGINNING BALANCE	\$ -	\$ 984,000	\$ 1,040,440	\$ 421,440
REVENUES:				
Bond proceeds	8,000,000	-	-	-
Interest earnings and other	6,741	25,000	18,000	5,000
TOTAL REVENUES	8,006,741	25,000	18,000	5,000
TOTAL AVAILABLE RESOURCES	8,006,741	1,009,000	1,058,440	426,440
EXPENDITURES:				
Personal services	272	10,000	7,000	5,000
Bond sale costs	69,264	-	-	-
Engineering and contractual services	511,091	50,000	120,000	50,000
Construction and equipment	6,385,677	949,000	510,000	371,440
TOTAL EXPENDITURES	6,966,304	1,009,000	637,000	426,440
ENDING FUND BALANCE	\$ 1,040,437	\$ -	\$ 421,440	\$ -

TOWN OF ADDISON
2004 CAPITAL PROJECT FUND
STATEMENT OF REVENUES AND EXPENDITURES
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
BEGINNING BALANCE	\$ -	\$ -	\$ -	\$ 10,665,000
REVENUES:				
Bond proceeds	-	-	10,695,000	-
Interest earnings and other	-	-	-	150,000
TOTAL REVENUES	-	-	10,695,000	150,000
TOTAL AVAILABLE RESOURCES	-	-	10,695,000	10,815,000
EXPENDITURES:				
Personal services	-	-	-	50,000
Bond sale costs	-	-	30,000	-
Engineering and contractual services	-	-	-	450,000
Construction and equipment	-	-	-	8,100,000
TOTAL EXPENDITURES	-	-	30,000	8,600,000
ENDING FUND BALANCE	\$ -	\$ -	\$ 10,665,000	\$ 2,215,000

TOWN OF ADDISON
AIRPORT ENTERPRISE FUND
STATEMENT OF INCOME AND CHANGES IN WORKING CAPITAL
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
INCOME STATEMENT				
Operating revenues:				
Operating grants	25,263	\$ 30,000	\$ 30,000	\$ 30,000
Fuel flowage fees	1,040,323	1,100,000	990,000	1,000,000
Rental	2,879,569	3,087,000	2,880,000	3,070,000
User fees	16,126	30,000	40,000	35,000
Total operating revenues	<u>3,961,281</u>	<u>4,247,000</u>	<u>3,940,000</u>	<u>4,135,000</u>
Operating expenses:				
Town - Personal services	248,869	244,720	254,360	284,070
Town - Supplies	6,835	10,500	8,900	15,000
Town - Maintenance	15,559	18,810	22,810	23,250
Town - Contractual services	414,297	387,040	412,900	407,520
Grant - Maintenance	25,812	60,000	60,000	60,000
Operator - Operations & Maintenance	1,002,740	1,729,020	1,550,020	1,248,740
Operator - Service Contract	1,076,765	1,063,000	990,000	1,041,000
Total operating expenses	<u>2,790,877</u>	<u>3,513,090</u>	<u>3,298,990</u>	<u>3,079,580</u>
Net operating income	<u>1,170,404</u>	<u>733,910</u>	<u>641,010</u>	<u>1,055,420</u>
Non-Operating revenues (expenses):				
Interest earnings and other	101,120	35,000	33,250	35,000
Interest on debt, fiscal fees, & other	-	-	(3,300)	(211,800)
Net non-operating revenues (expenses)	<u>101,120</u>	<u>35,000</u>	<u>29,950</u>	<u>(176,800)</u>
Net income (excluding depreciation)	<u>\$ 1,271,524</u>	<u>\$ 768,910</u>	<u>\$ 670,960</u>	<u>\$ 878,620</u>
CHANGES IN WORKING CAPITAL				
Net income (excluding depreciation)	<u>\$ 1,271,524</u>	<u>\$ 768,910</u>	<u>\$ 670,960</u>	<u>\$ 878,620</u>
Sources (uses) of working capital:				
Retirement of long-term debt	-	-	-	(207,770)
Net additions to fixed assets with grants	-	(218,000)	(85,840)	(40,000)
Other net additions to fixed assets	<u>(712,568)</u>	<u>(1,814,000)</u>	<u>(850,440)</u>	<u>-</u>
Net sources (uses) of working capital	<u>(712,568)</u>	<u>(2,032,000)</u>	<u>(936,280)</u>	<u>(247,770)</u>
Net increase (decrease) in working capital	558,956	(1,263,090)	(265,320)	630,850
Beginning fund balance	<u>1,221,354</u>	<u>1,912,940</u>	<u>1,780,310</u>	<u>1,514,990</u>
Ending fund balance	<u>\$ 1,780,310</u>	<u>\$ 649,850</u>	<u>\$ 1,514,990</u>	<u>\$ 2,145,840</u>

TOWN OF ADDISON
UTILITY ENTERPRISE FUND
STATEMENT OF INCOME AND CHANGES IN WORKING CAPITAL
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
INCOME STATEMENT				
Operating revenues:				
Water sales	\$ 3,173,283	\$ 3,660,800	\$ 3,524,800	\$ 3,670,800
Sewer charges	3,539,966	4,038,000	4,035,000	4,100,000
Tap fees	1,150	1,000	9,000	1,000
Penalties	51,795	65,000	57,000	60,000
Total operating revenues	<u>6,766,194</u>	<u>7,764,800</u>	<u>7,625,800</u>	<u>7,831,800</u>
Operating expenses:				
Water purchases	2,126,634	2,195,800	2,143,000	2,274,100
Wastewater treatment	1,678,811	1,619,700	1,688,500	1,705,200
Utility operations	1,584,989	1,812,750	1,613,550	2,068,190
Total operating expenses	<u>5,390,434</u>	<u>5,628,250</u>	<u>5,445,050</u>	<u>6,047,490</u>
Net operating income	<u>1,375,760</u>	<u>2,136,550</u>	<u>2,180,750</u>	<u>1,784,310</u>
Non-Operating revenues (expenses):				
Interest earnings and other	96,605	113,500	59,000	113,500
Interest on debt, fiscal fees, & other	<u>(929,694)</u>	<u>(869,010)</u>	<u>(869,010)</u>	<u>(826,780)</u>
Net non-operating revenues (expenses)	<u>(833,089)</u>	<u>(755,510)</u>	<u>(810,010)</u>	<u>(713,280)</u>
Net income (excluding depreciation)	<u>\$ 542,671</u>	<u>\$ 1,381,040</u>	<u>\$ 1,370,740</u>	<u>\$ 1,071,030</u>
CHANGES IN WORKING CAPITAL				
Net income (excluding depreciation)	<u>\$ 542,671</u>	<u>\$ 1,381,040</u>	<u>\$ 1,370,740</u>	<u>\$ 1,071,030</u>
Sources (uses) of working capital:				
Retirement of long-term debt	(1,571,125)	(1,096,630)	(1,096,630)	(1,469,000)
Net affect of debt refunding	799,588	-	-	-
Net additions to fixed assets	<u>(1,134,626)</u>	<u>(811,600)</u>	<u>(364,500)</u>	<u>(771,000)</u>
Net sources (uses) of working capital	<u>(1,906,163)</u>	<u>(1,908,230)</u>	<u>(1,461,130)</u>	<u>(2,240,000)</u>
Net increase (decrease) in working capital	<u>(1,363,492)</u>	<u>(527,190)</u>	<u>(90,390)</u>	<u>(1,168,970)</u>
Beginning fund balance	<u>5,099,644</u>	<u>3,605,680</u>	<u>3,736,150</u>	<u>3,645,760</u>
Ending fund balance	<u>\$ 3,736,152</u>	<u>\$ 3,078,490</u>	<u>\$ 3,645,760</u>	<u>\$ 2,476,790</u>
Reserved for Infrastructure Replacement / Rehabilitation	<u>\$ 2,388,540</u>	<u>\$ 1,671,430</u>	<u>\$ 2,284,500</u>	<u>\$ 964,920</u>

TOWN OF ADDISON
INFORMATION TECHNOLOGY INTERNAL SERVICE FUND
STATEMENT OF INCOME AND CHANGES IN WORKING CAPITAL
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
INCOME STATEMENT				
Operating revenues:				
Department contributions:	\$ 609,723	\$ 591,960	\$ 591,960	\$ 518,640
Total operating revenues	<u>609,723</u>	<u>591,960</u>	<u>591,960</u>	<u>518,640</u>
Operating expenses:				
Contractual services	5,834	-	2,500	2,500
Total operating expenses	<u>5,834</u>	<u>-</u>	<u>2,500</u>	<u>2,500</u>
Net operating income	<u>603,889</u>	<u>591,960</u>	<u>589,460</u>	<u>516,140</u>
Non-operating Revenues:				
Interest earnings and other	17,640	20,000	16,000	20,000
Net non-operating revenues	<u>17,640</u>	<u>20,000</u>	<u>16,000</u>	<u>20,000</u>
Net income (exlcuding depreciation)	<u>\$ 621,529</u>	<u>\$ 611,960</u>	<u>\$ 605,460</u>	<u>\$ 536,140</u>
CHANGES IN WORKING CAPITAL				
Net income (exlcuding depreciation)	\$ 621,529	\$ 611,960	\$ 605,460	\$ 536,140
Sources (uses) of working capital:				
Capital hardware/software:				
General government	(747,359)	(165,000)	(65,000)	-
Public safety	-	(159,000)	(259,000)	(380,100)
Net sources (uses) of working capital	<u>(747,359)</u>	<u>(324,000)</u>	<u>(324,000)</u>	<u>(380,100)</u>
Net increase (decrease) in working capital	(125,830)	287,960	281,460	156,040
Beginning fund balance	1,075,113	910,680	949,280	1,230,740
Ending fund Balance	<u>\$ 949,283</u>	<u>\$ 1,198,640</u>	<u>\$ 1,230,740</u>	<u>\$ 1,386,780</u>

TOWN OF ADDISON
CAPITAL REPLACEMENT INTERNAL SERVICE FUND
STATEMENT OF INCOME AND CHANGES IN WORKING CAPITAL
Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimated 2003-04	Budget 2004-05
INCOME STATEMENT				
Operating revenues:				
Department contributions	\$ 724,857	\$ 761,310	\$ 761,310	\$ 632,680
Total operating revenues	<u>724,857</u>	<u>761,310</u>	<u>761,310</u>	<u>632,680</u>
Operating expenses:				
Other	<u>4,098</u>	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>
Total operating expenses	<u>4,098</u>	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>
Net operating income	<u>720,759</u>	<u>758,810</u>	<u>758,810</u>	<u>630,180</u>
Non-Operating revenues:				
Interest earnings and other	54,002	50,000	45,000	46,400
Proceeds from sale of assets	<u>18,008</u>	<u>50,000</u>	<u>-</u>	<u>50,000</u>
Net non-operating revenues	<u>72,010</u>	<u>100,000</u>	<u>45,000</u>	<u>96,400</u>
Net Income (Excluding depreciation)	<u>\$ 792,769</u>	<u>\$ 858,810</u>	<u>\$ 803,810</u>	<u>\$ 726,580</u>
CHANGES IN WORKING CAPITAL				
Net income (excluding depreciation)	<u>\$ 792,769</u>	<u>\$ 858,810</u>	<u>\$ 803,810</u>	<u>\$ 726,580</u>
Sources (uses) of working capital:				
Acquisition of capital equipment:				
General government	-	-	-	(248,000)
Public safety	(229,760)	(2,508,680)	(2,775,980)	(190,500)
Urban development	-	(15,000)	(15,000)	-
Streets	-	-	(5,800)	(38,000)
Parks and recreation	<u>(26,256)</u>	<u>(58,000)</u>	<u>(58,000)</u>	<u>(25,000)</u>
Net source (use) of working capital	<u>(256,016)</u>	<u>(2,581,680)</u>	<u>(2,854,780)</u>	<u>(501,500)</u>
Net increase (decrease) in working capital	536,753	(1,722,870)	(2,050,970)	225,080
Beginning fund balance	<u>3,191,481</u>	<u>3,189,340</u>	<u>3,728,230</u>	<u>1,677,260</u>
Ending fund balance	<u>\$ 3,728,234</u>	<u>\$ 1,466,470</u>	<u>\$ 1,677,260</u>	<u>\$ 1,902,340</u>

TOWN OF ADDISON
GENERAL FUND LONG-TERM FINANCIAL PLAN
Council Adopted 2004-05 Annual Budget

	Actual 2002-2003	Estimated 2003-2004	Budget 2004-2005	Year 1 Projected 2005-2006	Year 2 Projected 2006-2007	Year 3 Projected 2007-2008	Year 4 Projected 2008-2009
BEGINNING BALANCE	\$8,575,659	\$8,014,640	\$7,150,690	\$6,012,820	\$4,808,600	\$4,083,710	\$3,951,520
REVENUES:							
Ad valorem taxes	5,756,053	6,195,000	\$6,932,300	7,541,400	\$8,236,000	\$8,996,500	\$9,829,100
Non-property taxes	9,696,279	10,223,300	10,541,400	10,857,600	11,183,300	11,518,800	11,864,400
Franchise fees	2,450,145	2,672,670	2,722,800	2,804,500	2,888,600	2,975,300	3,064,600
Licenses and permits	386,824	393,760	398,020	410,000	422,300	435,000	448,100
Intergovernmental	-	-	-	-	-	-	-
Service fees	1,158,469	1,102,360	1,140,790	1,175,000	1,210,300	1,246,600	1,284,000
Fines and penalties	686,311	715,790	737,400	759,500	782,300	805,800	830,000
Interest income	108,448	109,000	113,600	117,000	120,500	124,100	127,800
Rental income	141,902	130,000	130,000	133,900	137,900	142,000	146,300
Miscellaneous	116,339	21,630	22,500	23,200	23,900	24,600	25,300
Other sources	-	-	-	-	-	-	-
TOTAL REVENUES	20,500,770	21,563,510	22,738,810	23,822,100	25,005,100	26,268,700	27,619,600
EXPENDITURES:							
Operating:							
Personal services	13,978,385	15,046,390	16,381,970	17,145,000	17,865,100	18,615,400	19,397,200
Supplies	786,328	884,500	941,910	960,700	979,900	999,500	1,019,500
Maintenance	1,882,717	1,715,240	1,998,750	1,664,750	1,731,300	1,800,600	1,872,600
Contractual services	2,906,201	3,084,550	3,362,950	3,192,980	3,288,800	3,387,500	3,489,100
Capital replacement/lease	1,279,496	1,298,230	1,132,340	1,356,820	1,356,820	1,289,820	1,289,820
Capital outlay	228,660	398,550	58,760	58,800	58,800	58,800	58,800
Other uses	-	-	-	647,270	449,270	249,270	150,170
TOTAL EXPENDITURES	21,061,787	22,427,460	23,876,680	25,026,320	25,729,990	26,400,890	27,277,190
ENDING FUND BALANCE	\$8,014,642	\$7,150,690	\$6,012,820	\$4,808,600	\$4,083,710	\$3,951,520	\$4,293,930
Amount greater (less) than 25% minimum balance	2,749,195	1,543,825	43,650	(1,447,980)	(2,348,788)	(2,648,703)	(2,525,368)
Debt issuance variable:							
Beginning debt outstanding	\$35,353,908	\$33,193,386	\$40,583,306	\$37,854,766	\$47,204,766	\$43,501,523	\$39,596,814
Principal retired	2,160,522	3,305,080	2,728,540	2,980,000	3,703,243	3,904,709	4,067,836
Principal issued	-	10,695,000	-	12,330,000	-	-	-
Ending debt outstanding	\$33,193,386	\$40,583,306	\$37,854,766	\$47,204,766	\$43,501,523	\$39,596,814	\$35,528,977
Tax rate variables:							
Taxable values (thousands)	\$ 3,110,454	\$ 2,886,242	\$ 2,696,490	\$ 2,777,385	\$ 2,860,707	\$ 2,946,528	\$ 3,034,924
General fund rate	\$0.1890	\$0.2201	\$0.2597	\$0.2743	\$0.2908	\$0.3084	\$0.3271
Debt service fund rate	\$0.2109	\$0.2027	\$0.2163	\$0.2000	\$0.1942	\$0.1885	\$0.1831
Total	\$0.3999	\$0.4228	\$0.4760	\$0.4743	\$0.4850	\$0.4969	\$0.5102
Staffing variable:							
Full-time equivalent positions	231.8	235.7	235.1	235.1	235.1	235.1	235.1
Average cost per FTE	\$60,304	\$63,837	\$69,681	\$72,926	\$75,989	\$79,181	\$82,506

TOWN OF ADDISON
HOTEL SPECIAL REVENUE FUND LONG-TERM FINANCIAL PLAN
Council Adopted 2004-05 Budget

	Actual 2002-03	Estimate 2003-04	Year 1 Budget 2004-05	Year 1 Projected 2005-06	Year 2 Projected 2006-07	Year 3 Projected 2007-08	Year 4 Projected 2008-09
BEGINNING FUND BALANCE	\$ 6,358,382	\$ 5,328,080	\$ 4,818,660	\$ 4,031,390	\$ 3,012,710	\$ 2,085,160	\$ 1,128,080
REVENUES:							
Hotel/Motel occupancy taxes (HOT)	3,346,197	3,375,000	3,400,000	3,502,000	3,607,060	3,715,270	3,826,730
Proceeds from special events	860,123	1,033,800	1,053,000	1,095,120	1,138,920	1,184,480	1,231,860
Conference centre rental	349,230	311,100	350,000	364,000	378,560	393,700	409,450
Theatre rental	53,469	76,250	75,000	78,000	81,120	84,360	87,730
Interest and other	72,676	67,400	57,400	58,550	59,720	60,910	62,130
TOTAL REVENUES	4,681,695	4,863,550	4,935,400	5,097,670	5,265,380	5,438,720	5,617,900
EXPENDITURES:							
Visitor services	823,874	729,480	769,700	787,910	806,960	826,890	847,730
Marketing	1,037,116	844,140	891,470	909,360	927,600	946,220	965,200
Special events	1,870,577	1,828,260	2,000,850	2,082,410	2,167,360	2,255,850	2,348,010
Conference centre	721,460	723,190	850,260	994,750	970,030	1,097,180	1,021,300
Performing arts	518,969	497,900	505,780	636,030	614,270	557,650	521,170
Capital projects	-	-	-	-	-	-	-
Transfers to other funds/debt service	740,000	750,000	704,610	705,890	706,710	712,010	711,790
TOTAL EXPENDITURES	5,711,996	5,372,970	5,722,670	6,116,350	6,192,930	6,395,800	6,415,200
ENDING FUND BALANCE	\$ 5,328,081	\$ 4,818,660	\$ 4,031,390	\$ 3,012,710	\$ 2,085,160	\$ 1,128,080	\$ 330,780
Amount greater (less) than 25% minimum balance	\$ 4,085,082	\$ 3,662,918	\$ 2,776,875	\$ 1,660,095	\$ 713,605	\$ (292,868)	\$ (1,095,073)
Hotel Occupancy Tax Variables:							
Number of rooms	3,944	4,011	4,011	4,011	4,011	4,011	4,011
Average revenue per room	\$848	\$841	\$848	\$873	\$899	\$926	\$954

TOWN OF ADDISON
AIRPORT FUND LONG-TERM FINANCIAL PLAN
Council Adopted 2004-05 Budget

	Actual 2002-2003	Estimated 2003-2004	Budget 2004-2005	Year 1 Projected 2005-2006	Year 2 Projected 2006-2007	Year 3 Projected 2007-2008	Year 4 Projected 2008-2009
BEGINNING WORKING CAPITAL	\$ 1,221,354	\$ 1,780,310	\$ 1,514,990	\$ 2,145,840	\$ 2,365,270	\$ 2,193,740	\$ 1,872,070
NET INCOME							
Operating revenues:							
Operating grants	25,263	30,000	30,000	30,000	30,000	30,000	30,000
Fuel flowage fees	1,040,323	990,000	1,000,000	1,030,000	1,060,900	1,092,730	1,125,510
Rental	2,879,569	2,880,000	3,070,000	3,162,100	3,256,960	3,354,670	3,455,310
User fees	16,126	40,000	35,000	36,050	37,130	38,240	39,390
Total operating revenues	3,961,281	3,940,000	4,135,000	4,258,150	4,384,990	4,515,640	4,650,210
Operating expenses:							
Town - Personal services	248,869	254,360	284,070	298,270	313,180	328,840	345,280
Town - Supplies	6,835	8,900	15,000	15,450	15,910	16,390	16,880
Town - Maintenance	15,559	22,810	23,250	24,410	25,630	26,910	28,260
Town - Contractual services	414,297	412,900	407,520	415,670	423,980	432,460	441,110
Grant - Operations & Maintenance	25,812	60,000	60,000	60,000	200,000	60,000	60,000
Operator - Operations & Maintenance	1,002,740	1,550,020	1,248,740	1,036,150	1,108,680	1,186,290	1,269,330
Operator - Service Contract	1,076,765	990,000	1,041,000	1,093,050	1,147,700	1,205,090	1,265,340
Total operating expenses	2,790,877	3,298,990	3,079,580	2,943,000	3,235,080	3,255,980	3,426,200
Net operating income	1,170,404	641,010	1,055,420	1,315,150	1,149,910	1,259,660	1,224,010
Non-Operating revenues (expenses):							
Interest earnings and other	101,120	33,250	35,000	36,050	37,130	38,240	39,390
Interest on debt, fiscal fees, & other	-	(3,300)	(211,800)	(201,930)	(191,590)	(180,760)	(169,420)
Net Non-Operating revenues (expenses)	101,120	29,950	(176,800)	(165,880)	(154,460)	(142,520)	(130,030)
Net income (excluding depreciation)	1,271,524	670,960	878,620	1,149,270	995,450	1,117,140	1,093,980
Sources (uses) of working capital:							
Retirement of long-term debt	-	-	(207,770)	(217,640)	(227,980)	(238,810)	(250,150)
Net additions to fixed assets with grants	(160,949)	(85,840)	(40,000)	(602,200)	(939,000)	(200,000)	-
Other net additions to fixed assets	(551,619)	(850,440)	-	(110,000)	-	(1,000,000)	(1,000,000)
Net sources (uses) of working capital	(712,568)	(936,280)	(247,770)	(929,840)	(1,166,980)	(1,438,810)	(1,250,150)
ENDING WORKING CAPITAL	\$ 1,780,310	\$ 1,514,990	\$ 2,145,840	\$ 2,365,270	\$ 2,193,740	\$ 1,872,070	\$ 1,715,900
PROJECTS							
Grant Projects:							
Capital (Town's Share):							
Apron / Taxiway Construction	34200	160,949	85,840				
Terminal Building				40,000	360,000		
Runway 15/33 Overlay and Enhancement					40,000	513,000	
Airport lighting upgrade					25,000		
Taxiway rehabilitation					177,200		
Runway 15/33 Extension						426,000	
Overlay Taxiway Alpha							200,000
Total	\$ 160,949	\$ 85,840	\$ 40,000	\$ 602,200	\$ 939,000	\$ 200,000	\$ -
Other Projects:							
Capital:							
Operating & Maintenance Equipment		60,000					
Land Acquisition	513,640						
Economic Development Program		515,740					
Airport Parkway Extension	37,979	274,700					
Maintenance building				110,000			
Hangar Redevelopment						1,000,000	1,000,000
Total	\$ 551,619	\$ 850,440	\$ -	\$ 110,000	\$ -	\$ 1,000,000	\$ 1,000,000

TOWN OF ADDISON
UTILITY FUND LONG-TERM FINANCIAL PLAN
Council Adopted 2004-05 Annual Budget

	Actual 2002-2003	Estimated 2003-2004	Budget 2004-2005	Year 1 Projected 2005-2006	Year 2 Projected 2006-2007	Year 3 Projected 2007-2008	Year 4 Projected 2008-2009
BEGINNING WORKING CAPITAL	\$ 5,099,644	\$ 3,736,150	\$ 3,645,760	\$ 2,476,790	\$ 1,342,960	\$ 1,306,300	\$ 1,316,570
NET INCOME							
Operating revenues:							
Water sales	3,173,283	3,524,800	3,670,800	3,780,900	4,537,100	4,673,200	5,140,500
Sewer charges	3,539,966	4,035,000	4,100,000	4,223,000	5,067,600	5,219,600	5,741,600
Tap fees	1,150	9,000	1,000	1,000	1,000	1,000	1,000
Penalties	51,795	57,000	60,000	60,000	60,000	60,000	60,000
Total operating revenues	6,766,194	7,625,800	7,831,800	8,064,900	9,665,700	9,953,800	10,943,100
Operating expenses:							
Water purchases	2,126,634	2,143,000	2,274,100	2,365,100	2,459,700	2,558,100	2,660,400
Wastewater treatment	1,678,811	1,688,500	1,705,200	1,790,500	1,880,000	1,974,000	2,072,700
Utility operations	1,584,989	1,613,550	2,068,190	2,150,900	2,236,900	2,326,400	2,419,500
Total operating expenses	5,390,434	5,445,050	6,047,490	6,306,500	6,576,600	6,858,500	7,152,600
Net operating income	1,375,760	2,180,750	1,784,310	1,758,400	3,089,100	3,095,300	3,790,500
Non-Operating revenues (expenses):							
Interest earnings and other	96,605	59,000	113,500	74,300	40,300	39,200	39,500
Interest on bonded debt and fiscal fees	(929,694)	(869,010)	(826,780)	(635,130)	(579,060)	(512,800)	(435,490)
Net Non-Operating revenues (expenses)	(833,089)	(810,010)	(713,280)	(560,830)	(538,760)	(473,600)	(395,990)
Net income (excluding depreciation)	542,671	1,370,740	1,071,030	1,197,570	2,550,340	2,621,700	3,394,510
Sources (uses) of working capital:							
Net retirement of long-term debt	(771,537)	(1,096,630)	(1,469,000)	(1,660,000)	(1,715,000)	(2,030,230)	(2,110,000)
Net additions to fixed assets	(1,134,626)	(364,500)	(771,000)	(671,400)	(872,000)	(581,200)	(471,400)
Net sources (uses) of working capital	(1,906,163)	(1,461,130)	(2,240,000)	(2,331,400)	(2,587,000)	(2,611,430)	(2,581,400)
ENDING WORKING CAPITAL	\$ 3,736,152	\$ 3,645,760	\$ 2,476,790	\$ 1,342,960	\$ 1,306,300	\$ 1,316,570	\$ 2,129,680
Ending working capital as % of oper. expenses	69%	67%	41%	21%	20%	19%	30%
USES OF WORKING CAPITAL							
Equipment							
Meters		5,000	26,000	23,600	18,000	25,800	35,400
Motor vehicles	57,185			35,000			
Computer hardware	19,590		20,000				
Heavy equipment	83,917	25,500	22,000				
Capital projects							
Lindbergh water line replacement	173,100						364,000
Mitchell/Lindbergh sewer line replacement	218,642						
Marsh Lane water line replacement	355,885						
Wright Brothers/Wiley Post utilities replacement	39,580						
Westgrove Sewer Line Rehabilitation		68,000					
Water service line replacement program			72,000	114,000	114,000	93,000	72,000
Dallas Parkway sewer rehabilitation			104,000				
Brookhaven Club area utilities rehabilitation				310,000	600,000		
Tallisker utilities replacement		166,000	250,000	88,800			
Beltway utilities rehabilitation			177,000				
Lake Forest utilities replacement						62,400	
Cotton Belt sewer line replacement					140,000		
Midway Road water line rehabilitation						400,000	
West Lindbergh/Richard Byrd sewer reha							
Addition to capital project reserve		100,000	100,000	100,000			
	\$ 947,899	\$ 364,500	\$ 771,000	\$ 671,400	\$ 872,000	\$ 581,200	\$ 471,400

NOTE: PLAN ASSUMES A 20% AVERAGE INCREASE IN RATES IN THE 2007 FISCAL YEAR

TOWN OF ADDISON

AIRPORT OPERATOR OPERATION AND MAINTENANCE BUDGET

Council Adopted 2004-05 Annual Budget

	Actual 2002-03	Budget 2003-04	Estimate 2003-04	Budget 2004-05
Capital maintenance				
Grounds	\$ 19,223	\$ 20,000	\$ 20,000	\$ 20,000
Gates & fencing	28,044	32,500	20,000	20,000
Buildings	9,987	17,500	10,000	12,000
Runways & taxiways	3,862	-	-	-
Lights & markings	39,470	64,000	60,000	70,500
Pavements	27,842	531,000	400,000	75,000
Hangars	39,134	138,000	120,000	50,000
Insurance	55,605	65,000	65,000	65,000
	223,167	868,000	695,000	312,500
Equipment maintenance & materials				
Equipment & tool	16,872	6,000	6,000	35,000
Vehicle	10	-	-	-
Communications	10,509	7,000	5,000	3,000
Lubricants	18	1,000	-	-
Shop supplies	1,762	2,000	1,000	-
Small tools	1,254	3,000	2,000	3,000
Uniforms	4,350	6,000	5,000	4,000
Fuels	914	-	-	-
	35,689	25,000	19,000	45,000
General & administration				
Customs expense	34,304	35,000	35,000	42,000
Office supplies	13,554	12,000	12,000	12,000
Rentals & leases	9,058	5,200	5,200	4,940
Telephone	36,884	30,000	30,000	30,000
Professional fees	16,289	41,000	41,000	22,500
Dues & subscriptions	7,541	3,300	3,300	5,270
Entertainment	1,682	7,200	7,200	1,200
Travel	8,579	15,000	15,000	13,330
Auto/mileage	324	-	-	-
Miscellaneous	19,763	5,500	5,500	10,200
Postage & shipping	2,734	3,600	3,600	3,600
Printing	3,910	2,000	2,000	5,000
Information technology	6,277	6,700	6,700	9,120
Meetings & presentations	10,656	-	-	10,600
Marketing & promotional	8,794	30,000	30,000	43,500
	180,349	196,500	196,500	213,260
Personnel services				
Salaries	381,517	451,000	451,000	470,000
Taxes & benefits	141,878	122,000	122,000	127,000
	523,395	573,000	573,000	597,000
Contractual services				
Capital equipment rentals & lease	114	-	-	-
Professional services	-	22,450	22,450	17,580
Electrical	2,200	-	-	-
Electric utility	30,091	36,000	36,000	54,000
Gas utility	4,115	4,230	4,230	4,000
Water & sewer utility	3,617	3,840	3,840	5,400
	40,137	66,520	66,520	80,980
Total Operation & Maintenance Budget	\$ 1,002,737	\$ 1,729,020	\$ 1,550,020	\$ 1,248,740

ORDINANCE NO. 04 -

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS APPROVING AND ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2004 AND ENDING SEPTEMBER 30, 2005; PROVIDING THAT SAID EXPENDITURES FOR SAID FISCAL YEAR SHALL BE MADE IN ACCORDANCE WITH SAID BUDGET; PROVIDING FOR A REPEAL CLAUSE AND DECLARING AN EMERGENCY.

BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS, THAT:

WHEREAS, the City Manager of the Town of Addison, Texas has heretofore filed with the City Secretary a proposed general budget for the city covering the fiscal year aforesaid; and

WHEREAS, during a public hearing, all interested persons were given the opportunity to be heard for or against any item or the amount of any item contained in said budget, and all said persons were heard, after which said public hearing was closed; and

WHEREAS, the City Council, upon full consideration of the matter, is of the opinion that the budget hereinafter set forth is proper and should be approved and adopted:

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

SECTION 1. The sum of \$66,971,710 is hereby appropriated for budget expenditures and that expenditures during the fiscal year shall be made in accordance with the budget approved by this ordinance unless otherwise authorized by a duly enacted ordinance of the City.

SECTION 2. The budget as adopted shall be deemed the official budget for the Town of Addison, Texas for the said fiscal year and a copy of the same marked "Exhibits A through F" shall be kept on file with the City Secretary and shall be open to inspection by any interested persons.

SECTION 3. That all ordinances of the City in conflict with the provisions of this ordinance be, and the same are hereby repealed and all other ordinances of the city not in conflict with the provisions of this ordinance shall remain in full force and effect.

DULY PASSED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS, on this the 28th day of September 2004.

Mayor R. Scott Wheeler

ATTEST:

APPROVED AS TO FORM:

Carmen Moran, City Secretary

Ken Dippel, City Attorney

Council Agenda Item: #R16

SUMMARY:

Council approval is requested of ordinances adopting the Town of Addison annual budget for the fiscal year 2004-05 and for the property tax rate.

FINANCIAL IMPACT:

The budget appropriates \$66,971,710 using \$48,041,030 in revenues and \$18,930,680 in reduction of combined fund balances.

BACKGROUND:

The budget presented to Council for adoption is almost identical to the city manager's revised budget that had been presented to council at the public hearing conducted on September 14, 2004 with minor modifications having been made in the Airport and Utility funds.

RECOMMENDATION:

It is recommended Council approve the budget and tax rate ordinances for the 2004-05 fiscal year.

AN ORDINANCE # 04 -

AN ORDINANCE OF THE TOWN OF ADDISON, TEXAS
FIXING AND ADOPTING THE TAX RATE ON ALL
TAXABLE PROPERTY, FOR THE YEAR 2004; AND
DECLARING AN EMERGENCY.

BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS,
THAT:

WHEREAS, pursuant to V.T.C.A. Tax Code Sections 26.04 through 26.06, the Tax Assessor-Collector has calculated the tax rate for the fiscal year 2004-05 which cannot be exceeded without requisite publications and public hearing; and

WHEREAS, the tax rate for fiscal year 2004-05 as contemplated by the City Council and adopted herein did not exceed the rate calculated by the Tax Assessor-Collector; and

WHEREAS, upon full review and consideration of the matter, the City Council is of the opinion that the tax rate for year 2004 set, fixed and adopted herein below is proper;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS:

SECTION 1. That for the year 2004 there is hereby levied an ad valorem tax of \$.4760 on each \$100.00 of assessed valuation for all taxable property located in the Town of Addison the 1st day of January 2004, and not exempted from taxation by the constitution and laws of the State of Texas.

SECTION 2. That \$.2597 of said tax shall be for the purposes of General Fund maintenance and operation of the Town of Addison.

SECTION 3. That \$.2163 of said tax shall be for the purpose of paying interest and principal on the General Obligation and Certificate of Obligation debt of the Town of Addison.

SECTION 4. That the Tax Assessor-Collector, or her designee is hereby authorized to assess and collect the tax rates and amounts herein levied.

SECTION 5. Taxes that are and remain delinquent on July 1, 2005 incur an additional penalty of twenty percent (20%) of the amount of delinquent taxes, penalty and interest collected; such additional penalty is to defray the costs of collection due pursuant to the contract with the Town's attorney authorized by Section 6.30 of the Texas Property Tax Code, as amended.

SECTION 6. That the necessity for setting the tax rates as required by the laws of the State of Texas creates an urgency and an emergency and requires that this ordinance shall take effect and be in force from and after its adoption.

DULY PASSED BY THE CITY COUNCIL OF THE TOWN OF ADDISON, TEXAS
on this the 28th day of September 2004.

Mayor R. Scott Wheeler

ATTEST:

Carmen Moran, City Secretary

APPROVED AS TO FORM:

Ken Dippel, City Attorney

Council Agenda Item: #R17

SUMMARY:

This item is for the award of a contract to the Waters Consulting Group for conducting a study of the Town's classification system, compensation plan and employee benefits.

FINANCIAL IMPACT:

Budgeted Amount: \$50,000

Cost: Not to exceed \$34,350. This number includes the cost of the study, \$29,350, plus an additional \$5,000 in the event additional meetings or new job descriptions is warranted.

BACKGROUND:

The most recent outside study of the Town's compensation and classification system was completed in 1997. Recent salary surveys of local cities considered comparable to Addison in work environment and customer service philosophy have revealed that the Town's pay plan may not compensate our employees at the desired level. As part of the process of considering revisions to the current pay structure, we need an independent evaluation of our classification system and compensation plan, plus a review of the benefits package.

We request that the Waters Consulting Group conduct the study. Requirements for the study, prepared by the Human Resources Department, and the proposal from the Waters Consulting Group are attached.

RECOMMENDATION:

Staff recommends that Council authorize the City Manager to enter into a contract with the Waters Consulting Group for an amount not to exceed \$34,350, for consulting services relating to conducting a comprehensive study of the Town's classification system, compensation plan and employee benefits.

**Town of Addison
Compensation, Classification and Benefits Study
2004**

Background

For the fiscal year 2003-04, the Town of Addison has authorized 270.32 FTE, including 257 full-time, 10.8 part-time and 2.52 seasonal employees. Of this number, 63 full-time positions are certified Police Officers and 54 are certified Firefighter/Paramedics.

In non-certified positions, there is a 5% differential between grades and a 40% spread within each grade. For Police Officer and Firefighter/Paramedic positions, there are four potential starting rates of pay: 1) recruit, or non-certified; 2) certified with less than 12 months experience; 3) 12 to 24 months of experience; and 4) more than 24 months experience.

Employees may progress through the pay range through annual merit increases, or lump sum bonuses for those who have reached the maximum pay for their grade, based on performance reviews. Adjustments to pay are effective October 1 of each year. Our pay plan does not have steps and we are not a civil service city.

The most recent compensation and classification study performed by an outside entity was in 1997.

Study Requirements***Compensation:***

- Identify with City Management and Council a pay philosophy and desired market position for the Town.
- Review the Town's existing compensation system.
- Identify comparison cities and conduct a comprehensive salary survey. For those positions for which we compete heavily with the general labor force, also conduct a salary survey from this market.
- Develop a recommendation for a pay plan identifying specific parameters, i.e. percent between grades and range spreads, method of movement through plan. May submit, for consideration, recommendations for more than one plan.
- Prepare cost analysis for implementation of approved pay plan.

Classification:

- Audit all job descriptions and analyze level of duties, responsibilities and requirements to evaluate internal equity and FLSA status. Gather the necessary information through the use of questionnaires, job audits and personal interviews. All Department Directors and at least 25% of all other employees, with names selected by Human Resources, will be personally interviewed.
- Update job descriptions for all positions currently within the system and develop job descriptions for any new positions that might result from the study.
- Propose an internal hierarchy based on job relationships with assignment of all classifications to appropriate pay grades.
- Provide final job descriptions in electronic format, as approved by the Town
- Provide staff training on maintenance of the revised system.

Benefits:

- Using the same target cities as those identified for salary comparison, conduct a comprehensive benefits survey, to include the following:
 - Vacation, including buyback policies
 - Sick leave, including buyback policies
 - Holidays
 - Paid Time Off (PTO)
 - Medical benefits
 - Dental benefits
 - Life insurance
 - Worker's Compensation supplements
 - Disability benefits
 - Leaves of absence
 - Retirement benefits
 - Retirement Savings Accounts or Health Savings Accounts
 - Section 125 plans
 - Tuition reimbursement programs
 - Education pay
 - Certification pay
 - Longevity pay
 - Incentive/differential pay
 - Employee Assistance Programs
 - Other non-traditional benefits
- Develop a recommendation for an overall benefits package.

Reporting Requirements

The study must be completed within a responsive time frame. A preliminary report, to include methodology, findings and observations relating to the study, must be submitted to the City Manager for review and discussion prior to the finalization of recommendations. Suggestions for implementation of the recommendations should be practical and within the means of the Town's resources.

A final report of the findings, conclusions and recommendations will be presented to the City Council no later than January 11.

Other Requirements

The Town requests the resumes of all staff to be assigned to this project, including the percent of each person's time to be dedicated to the project. The Town reserves the right to approve or disapprove, at any time during the course of the study, any change to the assigned staff.

**THERE ARE NO
ATTACHMENTS
FOR ITEM #ES1**

**THERE ARE NO
ATTACHMENTS
FOR ITEM #ES2**